

URANIUM MINING LEASE #9996
Williams, Ray L.

UNITED STATES DEPARTMENT OF THE INTERIOR
MINING ENFORCEMENT AND SAFETY ADMINISTRATION
Metal and Nonmetal Mine Health and Safety
South Central District
1100 Commerce Street
Dallas, Texas 75242

57 - UC
N-01

Ray Williams Mining Company
P.O. Box 487
Shiprock, New Mexico 87420

Identification No. 29-00602
Inspection Date(s): June 14, 1976
Inspection No. 1 (12 a.m. - 2 p.m.)

SAFETY INSPECTION REPORT

This report is based on an inspection made pursuant to Section 4 of the Federal Metal and Nonmetallic Mine Safety Act (80 Stat. 772).

Company: Ray Williams Mining Company

Mine Name: Enos Johnson Telephone No. 505/723-2415

City: Sanostee County: San Juan State: New Mexico

Location: 9 miles southwest of Sanostee

Type of Mine: Underground Mining Method: Drifts Product: Uranium

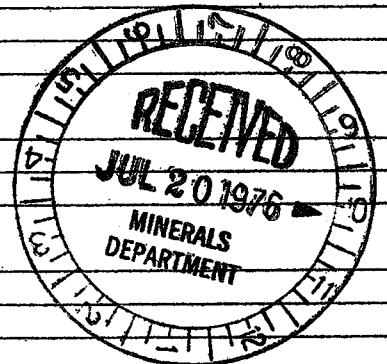
No. of Employees: 3 Work Schedule: Hours/shift 8 Shifts/day 1 Days/week 5

MESA Inspector(s): Charles F. Hoine, Metal and Nonmetal Mine Inspector

Company Official: Ray Williams, Owner

Union Representative(s): None

Inspection Party: Ray Williams, Owner
Manuel Duran, Deputy Inspector of Mines



Remarks: No. of LAST SAFETY NOTICE Issued -- Date Issued --
No. of LAST ORDER Issued -- Date Issued --
No. of LAST HEALTH NOTICE Issued -- Date Issued --
No. of OUTSTANDING NOTICES --

Lost time accident(s): No. this calendar year 0 Date of last -----

ATF: No() Yes(X)-Compliance(X) Noncompliance()

Permit: No() Yes()-Permit Number -----

Date of last fire drill (Underground mines only): -----

Part 58: Compliance() Noncompliance(X)-Action taken Forms to be sent.

A State Plan Agreement was in effect in New Mexico during this inspection.

VIOLATIONS COVERED BY
PROMULGATED STANDARDS

Violations on which the deputy inspector of mines took action are indicated by the symbol (SN) for State Notice preceding the violation. Mandatory standards are indicated by (M) after the reference number.

(SN) 57.5-28(M); The lower north haulage drift was not posted with "Keep Out" signs.

(SN) 57.11-51(b)(M); Escapeway signs were not posted.

(SN) 57.3-22(M); Scaling down or additional support was needed in the north haulage drift.

(SN) 57.6-20(e)(M); The doors on the explosives magazines were not bonded.



United States Department of the Interior

BUREAU OF INDIAN AFFAIRS

Navajo Area Office
Window Rock, Arizona 86515

IN REPLY REFER TO:

June 23, 1976

ARPM/332

Mr. Peter MacDonald

Chairman, Navajo Tribal Council

Attention: Office of Minerals Development

Dear Mr. MacDonald:

Enclosed is a copy of proposed mining and reclamation plan of Ray Williams on two uranium mining leases located west of Sanostee, New Mexico. The two leases are identified as contract No. 14-20-0603-9996 approved November 15, 1966, and lease No. N00-C-14-20-2304 was approved February 20, 1969. You have a copy of my letter to Mr. Williams dated May 3, 1976, concerning his plans to re-activate operation of the leases. A copy of the Area Mining Supervisor's letter to Mr. Williams dated May 10, 1976, is enclosed for your information. I recall Mr. Dawes of your office indicating that local residents in the mine vicinity had expressed concern over the mining activity.

Tribal review of the proposed plan and comments thereon is requested.

Sincerely yours,


Realty Specialist

Enclosures





United States Department of the Interior
GEOLOGICAL SURVEY

P.O. BOX 1716
CARLSBAD, NEW MEXICO 88220

IN REPLY
REFER TO:

May 10, 1976

NO.	
DATE	
BY	72
ORG	
LEADING	
R/W	
BR.	
FILE	

11-2304

Mr. Ray Williams
P. O. Box 487
Shiprock, New Mexico 87220

Dear Mr. Williams:

You advised this office by telephone that you would like to resume mining operations on your Navajo Tribal uranium leases 14-20-0603-9996 and N00-C-14-20-2304 near Sarroste, New Mexico. Enclosed are copies of the Operating Regulations for Exploration, Development and Production 30 CFR, Part 231 and the Bureau of Indian Affairs Regulations 25 CFR, Part 177, Surface Exploration, Mining and Reclamation of Lands.

Your attention is directed to parts 231.10, 231.11, and 231.20 of the Geological Survey regulations and parts 177.6 and 177.7 of the Bureau of Indian Affairs regulations which describe the information to be furnished to this office. Section 231.10 of the regulations require that before operations commence on a leasehold, an exploration or mining plan must be submitted to the Mining Supervisor for his approval showing in detail, by maps and a narrative report, the proposed exploration, mining and reclamation operations to be conducted on the leased lands. The maps and plans should be submitted in quintuplicate.

Engineers from this office will inspect your operations from time to time. Please feel free to call on them for any help or advice you may need.

Very truly yours,

R. S. Fulton
R. S. Fulton
Area Mining Supervisor

RSF:cj

Enclosures

cc: Realty Specialist, BIA, Window Rock, Arizona

RECEIVED

MAY 17 1976

Area Branch of
Realty Agency

RECEIVED

MAY 25 1976

**U. S. Geological Survey
Carlsbad, N. M.**

487 E. Rt.
Shiprock, NM 87420
May 24, 1976

United States
Department of the Interior
U. S. Geological Survey
P.O. Box 1716
Carlsbad, NM 88220

Dear Mr. Stewart

Enclosed is the Restoration and Mining Plan Report as requested by your letter of May 10, 1976. Also enclosed is a rough map of most of the mine workings, and proposed areas to be mined or exploration drifts run, marked 1 thru 4 on the map. In the Northeast corner is a plat of the North Adit.

If any additional information is needed please notify us.

Sincerely yours


Ray Williams

Enclosure

jw

MINING PLAN AND RESTORATION REPORT
ON ENOS JOHNSON MINE
OPERATED BY RAY WILLIAMS MINING
SANOSTEE, NEW MEXICO
LEASE #14-20-0603-9996
LEASE # NOO-C-14-20-2304

We began working to get the mine, located 9 miles Southwest of Sanostee, New Mexico, in condition for a full-scale mining operation on February 28, 1976. On approximately March 16, 1976 our good Young Buggy, 3 ton Deutz Diesel Truck, serial #25494 61-62, Truck type 3DGB serial #3015, Approval #24-24, was boldly driven $3\frac{1}{2}$ miles off the hill and loaded on a trailer and stolen.

On April 12, 1976 we steadily employed Carl Yazzie at \$5.00 an hour and his 18 year old son, Willard Yazzie, at \$3.00 an hour. We also have had a friend and my family running parts and rebuilding roads to help get the mine in shape.

On April 26, 1976, we went to Albuquerque and registered with Joe D. Longacre Sr., State Inspector of Mines.

At this time we purchased new self-rescue units, ear plugs and muffs, light parts, in and out of mine tags, for the men, additional ventilation equipment, new caution, danger and no smoking signs.

Our shipping contracts are with Atlas Minerals of Moab, Utah.

The following is a report of repairs and improvements on the mine:

Powder and Cap Magazines

Rebuilt both powder and cap storage magazines to meet with new regulations. We cleaned out the two out-of-the-way adits and rebuilt magazines with wooden floors. Outer walls are constructed of 3/4" plywood, at least 2 more inches of wood and at least 1/4" of steel plate on the outside. They are drilled and bolted in the rock, and the bolts are welded to the steel frame. We used double hasps, double locks, and guards over the hasps and locks. Vented and painted.

Mine Maintenance

- a. Made necessary equipment repairs
- b. Scaled-down and cleaned portals, escape route, return air loop and part of main haulageway.
- c. Retimbered portals, escape route, return air loop, and part of main haulageway.
- d. We installed new caution, danger, and no smoking signs.

Ventilation

To improve our mine ventilation we have increased the fan output, resealed all headings, cleaned out air loop passageways from top to bottom, sorted out approximately 30 tons of ore and stored it at the mine, installed new brattices and wetted some haulageways.

Deputy State Inspector of Mines, Lucio A. Quinones, was here May 14, 1976 to check our air ventilation and radon concentrations. The radon and air volume readings, in the areas to be worked are as follows:

1. Small lead of ore off main haulage; 32,000 CFM radon reading 0.1
-

2. Main haulage improvement drift; approximately 30,000 CFM (no volume reading taken) radon reading 0.1
3. Below stope haulage; 26,000 CFM radon reading 0.8
4. Exploration drift before distributing fan; 16,500 CFM radon reading 1.1

Mr. Quinones approved us for mining at this time.

Road Improvements

Rebuilt upper $4\frac{1}{2}$ miles of mine road to accommodate ore trucks. Rebuilt with drainages to control erosion.

Rebuilt small road around to and cleaned up the north adit.

Equipment Used in Mining Operation

- (1) OC46 Oliver Crawler tractor with approved Deutz Diesel engine.
- (2) Jackhammer and legs
- (2) Witte Diesel power plants
- (2) Air compressors
 - a. Ingersol 125
 - b. Leroi 210
- (1) AC7 loader for loading trucks and cleaning up dump.
- (1) D6 Cat for maintaining upper road and pulling ore trucks.
- Air and water pipe and hose
- Miscellaneous and handtools

Ventilation Equipment

- (1) 60" propellor fan for main air loop
- (1) 5 h.p. 16" distribution fan
- (1) 3 h.p. 12" distribution fan
- (1) $3\frac{1}{4}$ h.p. 6" distribution fan

Safety Equipment

Stretcher

Miscellaneous first aid equipment

Fire extinguishers

Ear plugs and muffs

Self-rescue units

Roof jack

CO tester

All required wearing apparel for safety

Summary

We were advised by letter from Thomas Lynch, Realty Specialist, May 3, 1976, and R. S. Fulton, Area Mining Supervisor's letter dated May 10, 1976, that we were required to send in a mining plan and restoration report before we commenced mining operations.

We have since been compiling the report and have finished the cap magazine.

We are presently cleaning the entire mine yard of old iron, wood, and debris; cleaning up the dump and shipping our stock-piled low grade ore; and rebuilding our spare Young Buggy Diesel Truck, as it smoked too much with the old Buda engine. The repairs are a new Bureau of Mines approved F2L912W Deutz Diesel engine, new up-to-date drive train, and an improved braking system.

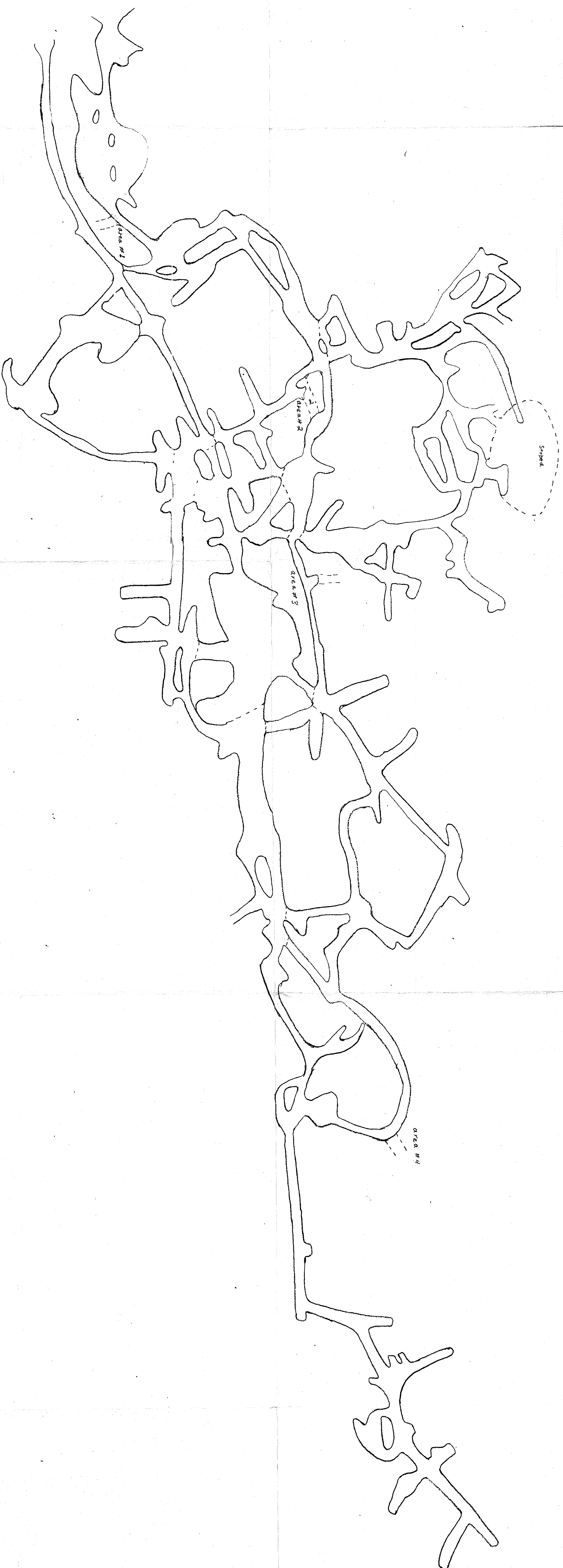
Working on ventilation.

It is our intent to run drifts trying to develop out new ore, to clean up, and ship low grade ore out of old stopes. To store waste back in old stopes. To steadily mine his property, if it can be done profitably and to make as many jobs for the community as possible, with no harm to the environment.

5.
Upon completion of the operation, to seal off mine portals, and leave the entire premises neat and clean.

Ray Williams

Ray Williams Mining

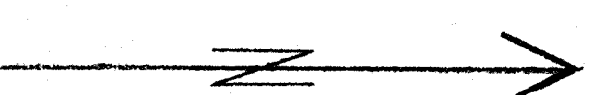


ENOS JOHNSON MINE

SANOSTEE SAN JUAN CO. NEW MEXICO

Scale 1:500 May 24 1976

9 N 1/4 S W 34-37-40 N M



RECEIVED

MAY 25 1976

U. S. Geological Survey
Carlsbad, N. M.



WILLIAM H. HAYS
STATE INSPECTOR OF MINES

STATE OF NEW MEXICO
INSPECTOR OF MINES DEPARTMENT
505 MARQUETTE, N.W., ROOM 1103
ALBUQUERQUE, NEW MEXICO 87101

SAFETY FIRST



OFFICE TELEPHONE 842-3055
RESIDENCE PHONE 344-1221

SAFETY
REPORT OF INSPECTION

<u>Esos Johnson Mine (Ray Williams Mining Co.)</u>		} Mine }	<u>Typed 7-14-70</u>
(Name)			<u>July 9, 1970</u>
			(Date of Inspection)
<u>Uranium</u>	<u>San Juan</u>	<u>Ray Williams, Operator</u>	
(Classification of Mine)	(County in which located)	(Company representative present at inspection)	

Pursuant to the Mining Laws of the State of New Mexico, Section 63-4-8, an inspection, as designated above, has been made. During this inspection the following was noted:

At the time of this routine inspection the mine was idle. The writer contacted Mr. Williams at Sanostee, some nine (9) miles west of "Little Water" trading post off Highway No. 666. Mr. Williams stated that the mine has been idle most of this year and that he does not anticipate reactivating the mine for some time.

Mr. Williams still holds the lease and has all the mining equipment at the mine. He has been doing assessment work in another state.

RECOMMENDATIONS

1. A copy of this report shall be posted at the minesite.
2. This department shall be notified prior to reactivating the mine.

The courtesy and cooperation of Mr. Williams is hereby gratefully acknowledged.

Inspected and Reported by:
Joe D. Longacre, Sr.
Deputy Inspector of Mines

William H. Hays
WILLIAM H. HAYS
State Inspector of Mines

RECEIVED
JUL 17 1970

THE NAVAJO TRIBE
MINERALS DEPT.

ONE COPY OF THIS REPORT SHALL BE POSTED IN A CONSPICUOUS PLACE AT THE MINE



WILLIAM H. HAYS
STATE INSPECTOR OF MINES

STATE OF NEW MEXICO
INSPECTOR OF MINES DEPARTMENT
305 MARQUETTE, N.W., ROOM 1108
ALBUQUERQUE, NEW MEXICO 87701

SAFETY FIRST



OFFICE TELEPHONE 842-3055
RESIDENCE PHONE 344-1221

REPORT OF INSPECTION

Enos Johnson Mine (Ray Williams Mining Company) } Mine } January 29, 1969
(Name) (Date of Inspection)

Uranium San Juan Ray Williams, Operator
(Classification of Mine) (County in which located) (Company representative present at inspection)

Pursuant to the Mining Laws of the State of New Mexico, Section 63-4-8, an inspection, as designated above, has been made. During this inspection the following was noted:

The object of this inspection was to check on radon-daughter concentrations, ventilation requirements in each working area and to calculate, therefrom, a weighted exposure for each of the classes of mine personnel.

GENERAL INFORMATION

Enos Johnson Mine is owned by the Navajo Tribe, Window Rock, Arizona, operated by Ray Williams Mining Company and is located about nine (9) miles West of Sanostee School, eighteen (18) miles West of New Mexico Highway No. 666. Company official is Mr. Ray Williams, Lessor of property and operator of company. The inspector was accompanied by Mr. Ray Williams during the period of this underground inspection.

The mine is opened by a double entry system. The west side drift is used for hauling materials, ore and fresh ventilation. The East side drift is used for exhausting air only.

VENTILATION

The mine was ventilated by driving fresh air through the West haulage drift at a rate of 33,180 C.F.M. to a point where fresh air was picked up by a centrifugal fan to push the air through a 16" steel tubing to the working faces. The East drift was equipped with a 5 H.P. 60 inch propeller type "Daton" electric fan exhausting air at a rate of 33,000 C.F.M. Air flow underground was controlled by bulkheads and curtains.

The following is a list of radon-daughter concentrations, air volume measurements and weighted exposure calculations from figures obtained during this inspection.

Sample No.	Sample Location	Ventilation	Man Shift Exposure			Working Levels
		C.F.M.	MM	Stopes	Haulages	
1	Haulage Drift No. 1	33,180	0.1		0.2	0.1
2	Haulage Drift No. 2		0.1		0.3	0.5
3	E. Drift Development	2,800	0.1	0.5		0.5
4	E. Exhaust Haulage Drift	2,800	0.1	0.3	0.3	0.5
			0.5	0.3	0.3	

WILLIAM H. HAYS
State Inspector of Mines

The weighted average exposure for the various classes of mine personnel were:

Maintenance and Management	= 0.7 x working level
Stops and Developments	= 0.6 x working level
Haulages	= 0.5 x working level
Total Mine Exposure Index	= 0.6 x working level

Ventilation requirements in volume were satisfactory in all working areas as noted above.

Through this report commendations is made to operator for his effort in keeping radon-daughter concentrations below one (1) working level.

The courtesy and cooperation of Mr. Ray Williams during this inspection is hereby gratefully acknowledged.

RECEIVED

FEB 14 1969

THE NAVAJO TRIBE
MINERALS DEPT.

Inspected and Reported by:
L. A. Quinones
Dust and Mine Gas Engineer
Deputy Inspector of Mines

Approved:

William H. Hays

WILLIAM H. HAYS

State Inspector of Mines

WILLIAM H. HAYS
State Inspector of Mines

505 Marquette, N.W., Room 1103
Albuquerque, New Mexico 87101

 Safety First

Office Telephone 842-3055
Residence Phone 344-1221

REPORT OF INSPECTION

Enos Johnson Mine (Ray Williams Mining Company) { Mine { November 20, 1968
(Name) (Date of Inspection)

Uranium San Juan Ray Williams
(Classification of Mine) (County in which located) (Company representative present at inspection)

Pursuant to the Mining Laws of the State of New Mexico, Section 63-4-8, an inspection, as designated above, has been made. During this inspection the following was noted:

The purpose of the inspection and the report is to call to the attention of all concerned any hazards or violations noted in the above designated operation during the inspection and to recommend means of correcting these hazards.

GENERAL INFORMATION

The mine property is on the Navajo Reservation and is owned by Enos Johnson; it is operated by the Ray Williams Mining Company and is located some twenty-two (22) miles West of U. S. Highway 666, through Sanostee Indian School Center (in the "Beautiful" mountain area).

Mr. Williams and one other man operate the mine on an eight (8) hour per day, five (5) days per week basis.

The mine is opened by two (2) adits, mining consists of driving two (2) headings (8'x9) on a narrow seam of ore some 3,500 feet inby the portals.

GROUND CONTROL

Roof support consists of pillars and stulls. Since the roof strata is of a very firm sand stone, very little support is necessary. Round timber is used for stulls, all areas over 8 feet wide are kept stulled. A safety jack is used near the face while drilling and loading out rounds. The working areas were properly scaled.

VENTILATION

The mine is ventilated by some 25,000 C.F.M. of air which entered the mine through the haulageway and exhausted out through the second adit.

Stoppings (seals) and curtains are used to course the air through the working areas. A 60 inch diameter propeller type fan, driven by a 5 H.P. electric motor is exhausting the air from the mine. A 5 H.P. auxiliary fan and 15" vent tubing is used to direct fresh air into the headings (dead ends).

WILLIAM H. HAYS

State Inspector of Mines

ONE COPY OF THIS REPORT SHALL BE POSTED IN A CONSPICUOUS PLACE AT THE MINE

An air reading taken at the end of the 15" vent line, some 45 feet out by the heading showed 3,000 C.F.M.

An air reading taken at the intake showed some 25,000 C.F.M.

It was observed that the auxiliary fan was recirculating the mine air.

A radon-daughter concentration sample taken by the U. S. Bureau of Mines on this date showed 0.1 working level.

The ventilation appeared to be adequate for the present operation.

EXPLOSIVES

Explosives are carried in containers from the surface to the working face. Explosives are not stored underground.

Stick dynamite and seven (7) foot capped fuses are used, rounds are fired (lit) with a lead spitter.

LOADING, HAULING AND DRILLING

A jack hammer equipped with an air leg and a water pressure tank is used for drilling.

The blasted material is loaded and transported to the surface by an "Oliver" diesel loader and a 22 H.P. "Young" diesel buggy. A CO test made on both diesel units showed them to be in good working condition and only a trace of CO concentration was detected.

The haulageways were in good condition and the dust was nil.

Housekeeping in general (except as noted) was good.

The ore is trucked to the mill at Uravan, Colorado.

SURFACE

There are no buildings at the minesite; equipment and supplies are stored in a short adit near the portal. Diesel fuel is stored in a large (500 gallon) surface tank. It was properly posted.

Gasoline is stored in 50 gallon barrels which are located near the air compressor.

Compressed air is furnished by a 125 C.F.M. Ingersoll Rand compressor and two (2) inch pipe line. Said compressor is equipped with a safety valve.

Water is hauled to the mine in 50 gallon barrels. Power source is provided by a generator (K.V.A.-10) driven by a diesel engine. The two (2) electric driven fans are the only electrical units at the mine site.

EXPLOSIVES

Explosives were stored in a short adit-magazine some 100 feet from the nearest portal. Said magazine was locked and properly posted.

Blasting caps were stored in a suitable box and kept padlocked. The burning rate of fuse was up to date and posted.

FIRE-FIGHTING FACILITIES

Fire fighting facilities consist of water and several fire extinguishers (CO₂ type.)

Housekeeping in general was good.

The entire operation (except as noted) was being carried on in a workmanlike manner.

First-aid material, stretcher, and blankets were available. Mr. Williams has had first-aid training, but not recently.

There had been no lost-time accidents to date in 1968.

Proper protective equipment and clothing were being used.

RECOMMENDATIONS

Surface

1. The gasoline storage shall be rearranged and moved to a more suitable location and posted.
2. A suitable detergent shall be used in flushing the scrubbers of the diesel units.
3. A copy of this report of inspection shall be posted at the minesite where it can be read and where it shall remain until superseded by the next report of inspection.

Underground

1. A curtain shall be installed at the auxiliary fan to correct the recirculating of the mine air.
2. The empty powder boxes that have accumulated underground shall be removed to the surface and properly destroyed.
3. The safety jack shall be revised so it can be used in the high backs without using so many blocks.

Other violations and/or hazards of primary importance were not observed during this inspection.

All recommendations were discussed with Mr. Williams following completion of the inspection.

The courtesy and cooperation of Mr. Williams and employee is hereby gratefully acknowledged.

Inspected and Reported by:
Joe D. Longacre, Sr.
Deputy Inspector of Mines

Approved: _____

William H. Hays

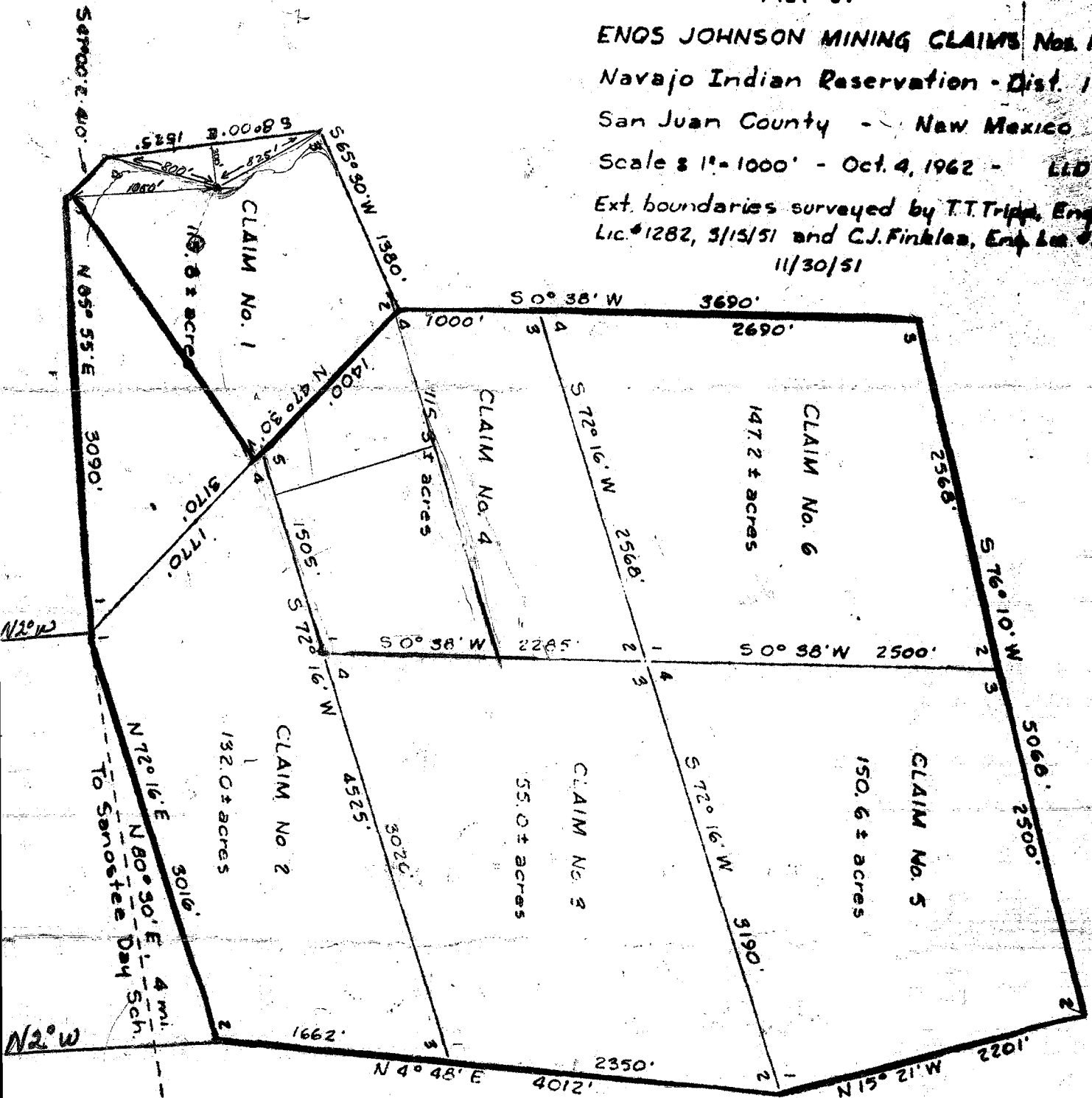
WILLIAM H. HAYS

State Inspector of Mines

ENOS JOHNSON MINING CLAIMS Nos. 1-5
Navajo Indian Reservation - Dist. 12
San Juan County - New Mexico

Scale : 1" = 1000' - Oct. 4, 1962 - LEO

Ext. boundaries surveyed by T.T. Triplett, Eng.
Lic. #1282, 3/15/51 and C.J. Finkles, Eng. Lic. #1202,
11/30/51

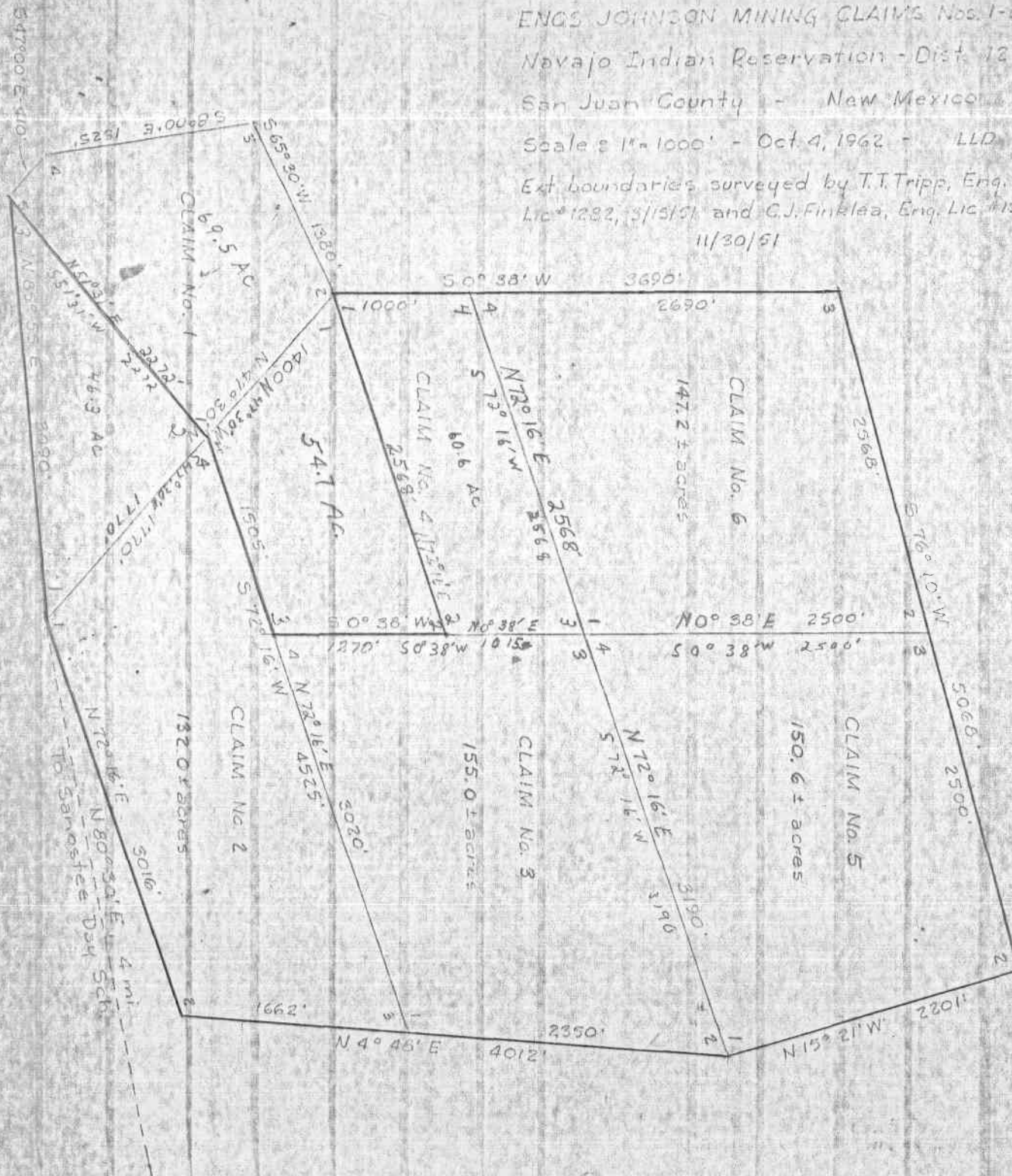


BY _____ DATE _____
 CHKD. BY _____ DATE _____

SUBJECT _____

SHEET NO. _____ OF _____
 JOB NO. _____

Plot of
 ENGS JOHNSON MINING CLAIMS Nos. 1-6
 Navajo Indian Reservation - Dist. 12
 San Juan County - New Mexico
 Scale: 1" = 1000' - Oct 4, 1962 - LLD
 Ext boundaries surveyed by T.T. Tripp, Eng.
 Lic. #1282, 5/15/51 and C.J. Finklea, Eng. Lic. #1202,
 11/30/51



DATE _____
HKB BY _____ DATE _____

SUBJECT _____

SHEET NO. _____ OF _____

JOB NO. _____

Plot of

ENOS JOHNSON MINING CLAIMS Nos 1-6

Navajo Indian Reservation - Dist. 12

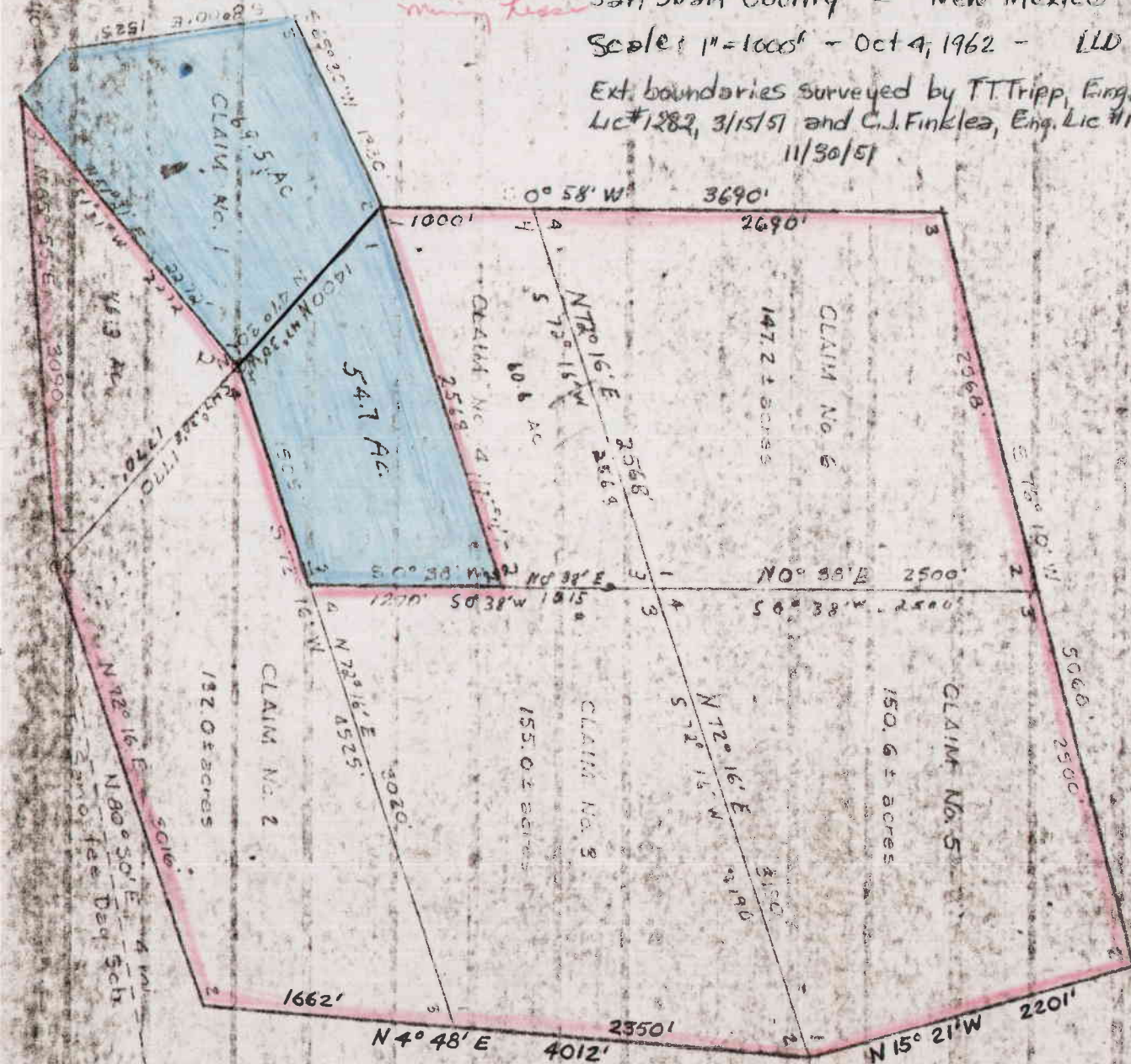
San Juan County - New Mexico

Scale: 1" = 1000' - Oct 4, 1962 - LLD

Ext. boundaries surveyed by T.T. Tripp, Eng.
Lic #1282, 3/15/51 and C.J. Finklea, Eng. Lic #1302,
11/30/51



activity lease
proposed mining lease



Plot of

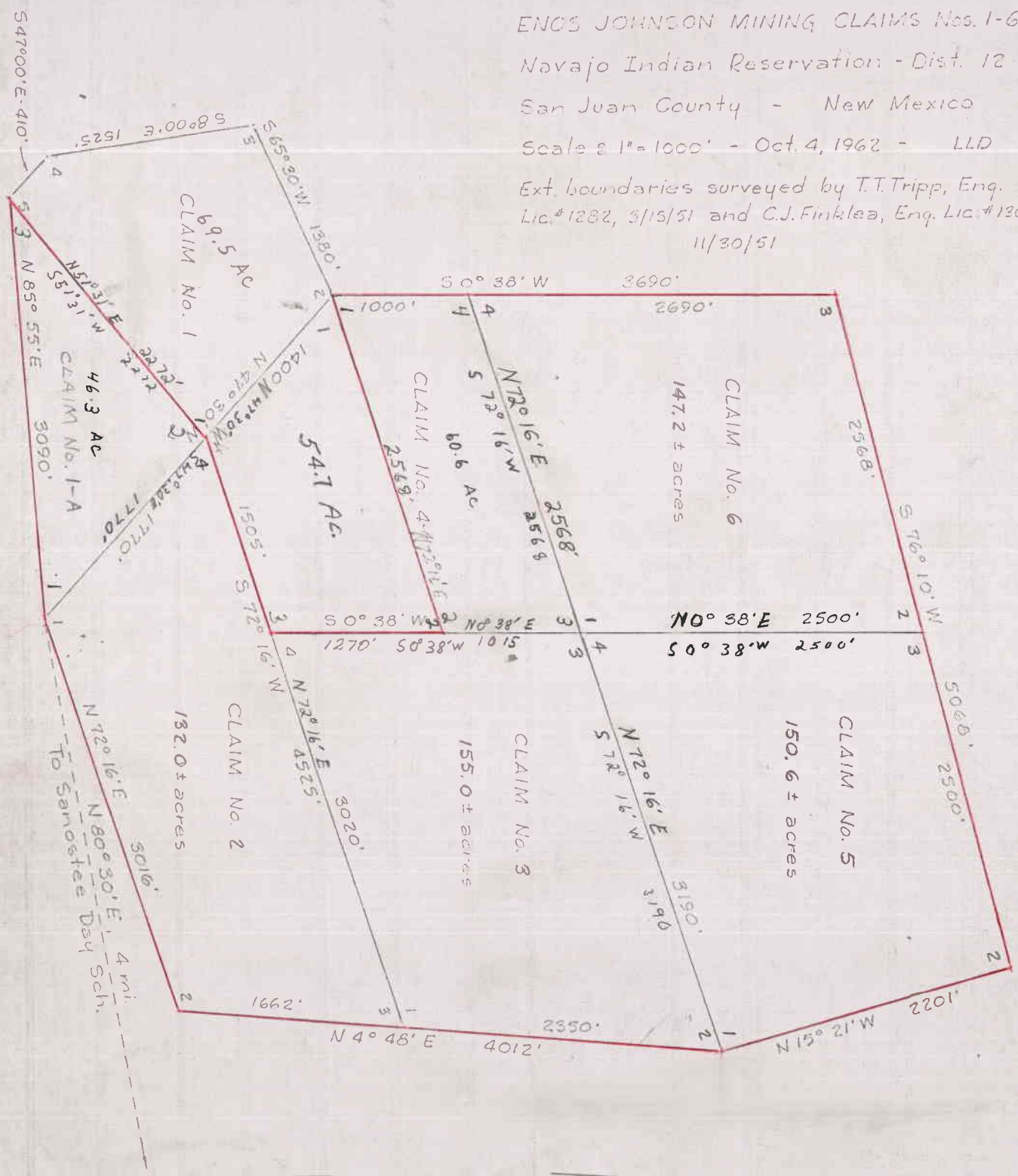
ENOS JOHNSON MINING CLAIMS Nos. 1-6

Navajo Indian Reservation - Dist. 12

San Juan County - New Mexico

Scale 1" = 1000' - Oct. 4, 1962 - LLD

Ext. boundaries surveyed by T.T. Tripp, Eng.
 Lic. #1282, 3/15/51 and C.J. Finklea, Eng. Lic. #1202,
 11/30/51



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12
4

Plat of

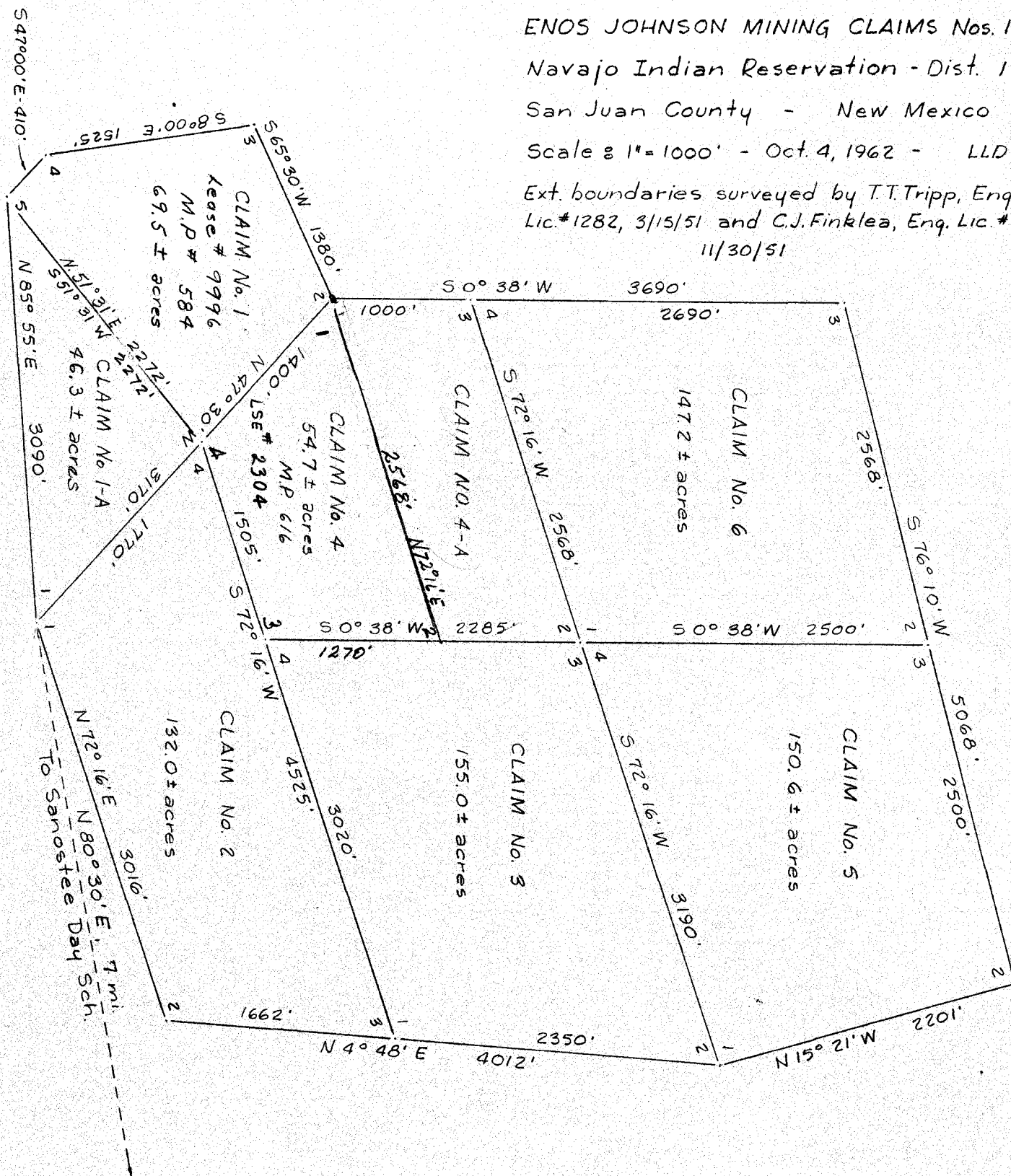
ENOS JOHNSON MINING CLAIMS Nos. 1-6

Navajo Indian Reservation - Dist. 12

San Juan County - New Mexico

Scale $\pm 1" = 1000'$ - Oct. 4, 1962 - LLD

Ext. boundaries surveyed by T.T. Tripp, Eng.
Lic. #1282, 3/15/51 and C.J. Finklea, Eng. Lic. #1302,
11/30/51





UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES

Health and Safety Activity

DISTRICT E

POST OFFICE BOX 15037
DENVER, COLORADO 80215

DEC 2 1968

File No. #437.2

Mr. Ray Williams
Ray Williams Mining Company
P. O. Box 487
Rural Star Route
Shiprock, New Mexico 87420

Subject: Health and Safety Inspection Report
Enos Johnson Mine
Ray Williams Mining Company
Sanostee, San Juan County, New Mexico

Dear Mr. Williams:

The enclosed report covers a health and safety inspection of the above-named mine made in compliance with Order No. 1940, April 4, 1944, by the Secretary of the Interior.

Any comments you desire to make concerning the inspection or report will be appreciated.

Sincerely yours,

A. C. Moschetti

A. C. Moschetti
Acting District Manager

Enclosures (3)
Chief, Indian Affairs
Area Director, Bureau of Indian Affairs
Supt., Navajo Service
Tribal Mining Engineer ✓
Chairman, Navajo Council

R-20
ID 43337
M.L. 14-20-603-9996

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
HEALTH AND SAFETY ACTIVITY

HEALTH AND SAFETY INSPECTION REPORT
ENOS JOHNSON MINE (URANIUM)
RAY WILLIAMS MINING COMPANY
NAVAJO INDIAN RESERVATION
SANOSTEE, SAN JUAN COUNTY, NEW MEXICO

November 20, 1968

By

R. L. Rock and J. W. Miley
Mining Engineers

Originating Office - Bureau of Mines
P. O. Box 15037, Denver, Colorado 80215
A. C. Moschetti, Acting District Manager
Health and Safety District E

HEALTH AND SAFETY INSPECTION REPORT
ENOS JOHNSON MINE (URANIUM)
RAY WILLIAMS MINING COMPANY
NAVAJO INDIAN RESERVATION
SANOSTEE, SAN JUAN COUNTY, NEW MEXICO

November 20, 1968

By

R. L. Rock and J. W. Miley
Mining Engineers

· INTRODUCTION

This report is based on a health and safety inspection made in compliance with Order No. 1940, April 4, 1944, by the Secretary of the Interior authorizing the Bureau of Mines to inspect mines on Indian lands and Government-leased lands on the public domain.

The purpose of the inspection and the report is to call to the attention of all concerned the hazards observed in the mine and surface plant during the inspection and to recommend means of correcting these hazards.

The safety improvement made since the last inspection, May 8, 1968, is given at the end of the report.

GENERAL INFORMATION

The mine is 22 miles west of U. S. Highway 666 via the Sanostee access road. Ray Williams, P. O. Box 487, Rural Star Route, Shiprock, New Mexico, worked the mine 5 days a week with the help of one Navajo miner.

Mr. Williams, Mr. J. Hager, U. S. Geological Survey, and Mr. J. Longacre, New Mexico State mine inspector, accompanied the engineers during the inspection. The material contained in this report was discussed with Mr. Williams during and following the inspection.

SURFACE

There were no surface buildings on the property. Short adits housed the few supplies maintained at the property.

FIRE HAZARDS AND FIREFIGHTING EQUIPMENT

Fuel stored in tanks on the surface did not appear to present a hazard to men underground. The tanks were posted with signs warning against smoking. Fire extinguishers were provided on diesel-powered units used underground and an extinguisher was available on the surface.

STORAGE AND USE OF EXPLOSIVES

Explosives were stored and used in a safe manner. Two men were present at the face to spit each round. The fuse burning rate had been recently tested and was posted.

LOADING, HAULING, AND DRILLING

Broken rock was loaded using a diesel-powered front-end loader which did not bear a U. S. Bureau of Mines approval plate. Consequently, no action during this inspection shall be interpreted as official approval of this equipment.

The diesel-powered ore carrier bore U.S.B.M. Approval No. 24-24 listing the ventilation requirement at 2,000 cubic feet of air per minute.

Both diesel units appeared to be in good mechanical condition and were equipped with operable lights.

Drilling was done wet using an air-leg drill.

GROUND CONTROL

The backs and ribs along the haulageways were well scaled. The thick sandstone required little artificial support except where extremely wide rooms were opened. Posts were added in the few areas where rock pillars did not afford sufficient support.

Loose, unsupported ribs or back were not detected.

VENTILATION

Two electrically powered fans provided ventilation. One fan blew air into the intake adit while the other served as an auxiliary unit and blew the air up toward the active face through tubing. The inlet to the auxiliary unit was located so that some recirculation was occurring. Although hazardous accumulations of air contaminants were not present, relocation of the fan inlet would be an appropriate safeguard against their occurrence.

A total airflow of 25,000 cubic feet per minute was measured in the return airway.

RADIATION

Two radon-daughter samples were taken. One sample was taken in air returning from the active heading and the other was taken in the haulageway through which ore was hauled to the surface. Both samples indicated the men's exposure to airborne alpha radiation was less than one working level at the time of the inspection.

QUALITY OF AIR

Direct-reading field test instruments were used to measure CO (carbon monoxide) and NO₂ (nitrogen dioxide) concentrations during the inspection. Neither gas was detectable using these instruments.

In addition, a return air sample was taken using a vacuum bottle. Analytical results of this bottle sample, given in table 1, indicate that the air was of satisfactory quality with respect to the gases analyzed for.

Table 1

Sample No.	Place, time	P e r c e n t					Ppm*
		O ₂	CO ₂	CO	CH ₄	N ₂	NO ₂
A-1842	By auxiliary fan, 20,90 11-20-68, 3:30 pm	0.05	.000	-	79.05	-	

* Parts per million

ELECTRICITY

A small, 10 kv.-a diesel-powered generator located on the surface provided power for the fans. The generator was grounded and enclosed with a fence. Wiring was satisfactorily hung in the haulageway out of the way and switch boxes were provided with ground wires.

GENERAL HEALTH AND SAFETY

A stretcher and first-aid supplies were provided.

SAFETY IMPROVEMENT

Ground Control

Loose, unsupported ground was not present in the supply storage adit.

RECOMMENDATIONS

Loading, Hauling, and Drilling

During this inspection no hazard was observed in underground working environments due to the use of nonapproved diesel equipment. However, only Bureau of Mines approved^{1/} mobile diesel-powered equipment should

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be used underground. Bureau of Mines approved equipment should be used to replace or add to the mobile diesel-powered equipment now in use underground when replacement of present or additional equipment is necessary.

Ventilation

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ACKNOWLEDGMENT

The cooperation of Mr. Williams and his employee during the inspection is appreciated.

Respectfully submitted,

R. L. Rock
R. L. Rock
Mining Engineer

/s/J. W. Miley
J. W. Miley
Mining Engineer

Approved:

A. C. Moschetti

A. C. Moschetti
Acting District Manager

R-20
ID 43337
M.L. 14-20-603-9996

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF MINES
HEALTH AND SAFETY ACTIVITY

HEALTH AND SAFETY INSPECTION REPORT
ENOS JOHNSON MINE (URANIUM)
RAY WILLIAMS MINING COMPANY
NAVAJO INDIAN RESERVATION
SANOSTEE, SAN JUAN COUNTY, NEW MEXICO

November 20, 1968

By

R. L. Rock and J. W. Miley
Mining Engineers

Originating Office - Bureau of Mines
P. O. Box 15037, Denver, Colorado 80215
A. C. Moschetti, Acting District Manager
Health and Safety District E

HEALTH AND SAFETY INSPECTION REPORT
ENOS JOHNSON MINE (URANIUM)
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INTRODUCTION

This report is based on a health and safety inspection made in compliance with Order No. 1940, April 4, 1944, by the Secretary of the Interior authorizing the Bureau of Mines to inspect mines on Indian lands and Government-leased lands on the public domain.

The purpose of the inspection and the report is to call to the attention of all concerned the hazards observed in the mine and surface plant during the inspection and to recommend means of correcting these hazards.

The safety improvement made since the last inspection, May 8, 1968, is given at the end of the report.

GENERAL INFORMATION

The mine is 22 miles west of U. S. Highway 666 via the Sanostee access road. Ray Williams, P. O. Box 487, Rural Star Route, Shiprock, New Mexico, worked the mine 5 days a week with the help of one Navajo miner.

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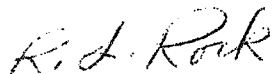
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R. L. Rock
Mining Engineer

/s/J. W. Miley
J. W. Miley
Mining Engineer

Approved:


A. C. Moschetti
Acting District Manager

CLAIM NO. 4

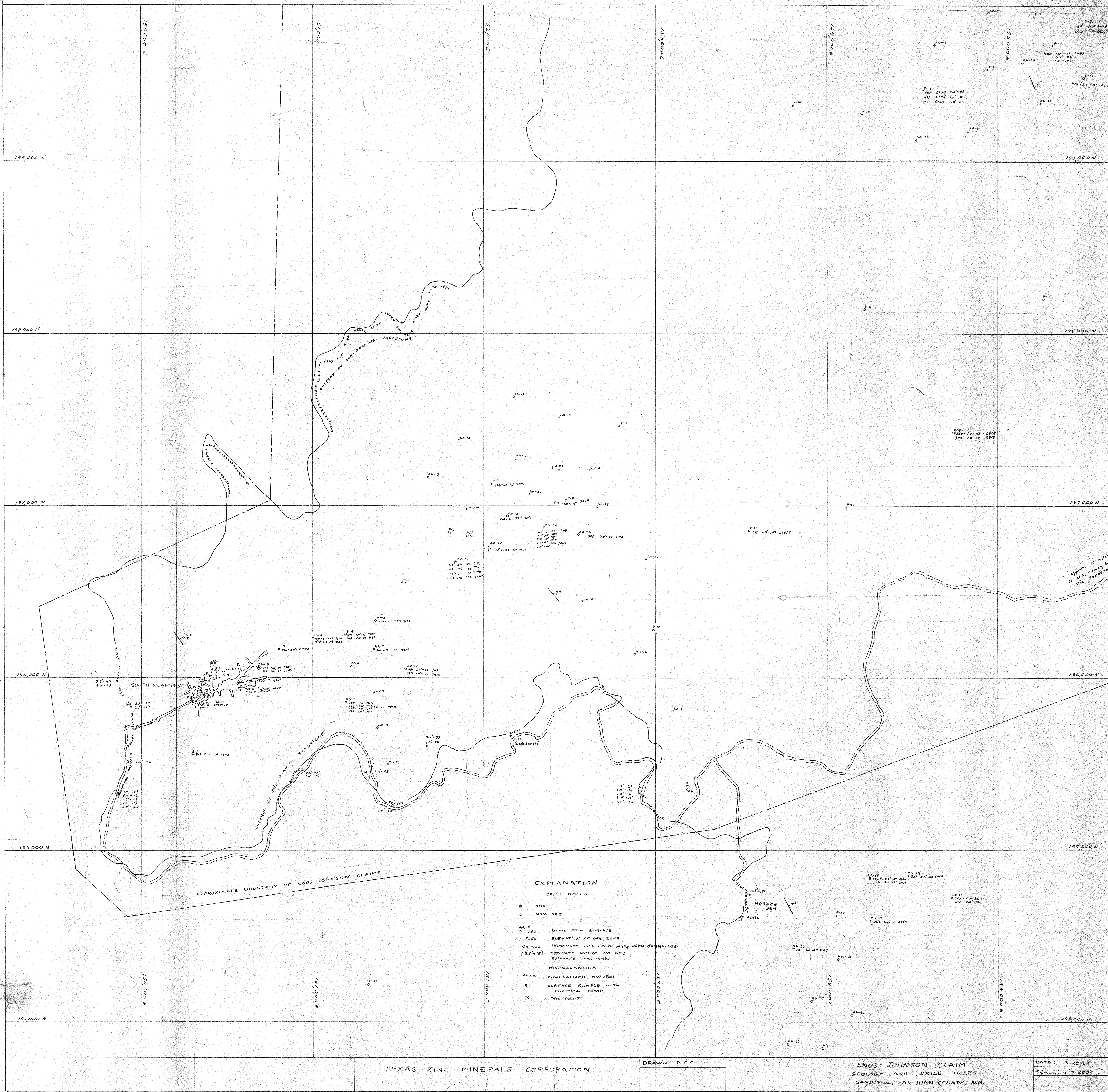
Beginning at Corner No. 1 which is common with Corner No. 2 of Claim No. 1 of Mining Permit No. 584, thence North 72° 16' E., 2,568' to Corner No. 2; thence South 0° 38' W., 1,270' to Corner No. 3; thence South 72° 16' W., 1,505' to Corner No. 4; thence North 47° 30' W., 1400' to Corner No. 1 the point of beginning, containing 54.7 acres, more or less.

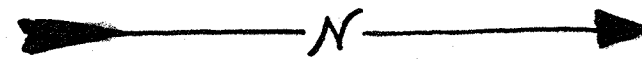
Located in District 12, San Juan County, New Mexico.

1) need
Re ACS-80-51
uses mineral, authority
aco-85-57 accord
enhancing chair support 960 acres
with art adv.

2) Re
ACMY-80-64
advisory committee
dispute
mining
Permit
negative impact
claimant
appeal

3)



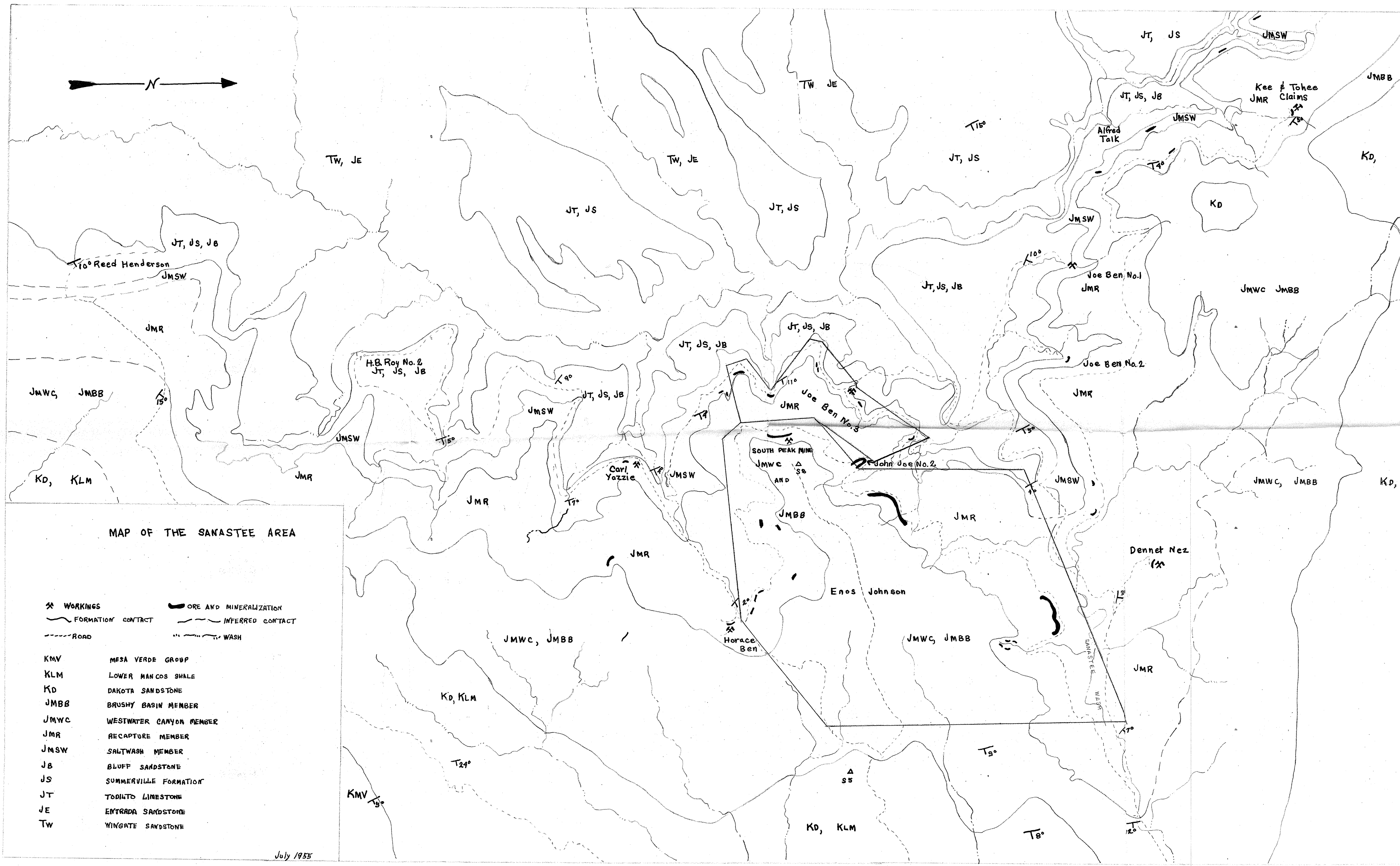


MAP OF THE SANASTEE AREA

- ✱ WORKINGS
— FORMATION CONTACT
--- INFERRED CONTACT
--- ROAD
--- WASH

- | | |
|------|-------------------------|
| KMV | MESA VERDE GROUP |
| KLM | LOWER MANCOS SHALE |
| KD | DAKOTA SANDSTONE |
| JMBB | BRUSHY BASIN MEMBER |
| JMWC | WESTWATER CANYON MEMBER |
| JMR | RECAPTURE MEMBER |
| JMSW | SALTWASH MEMBER |
| JB | BLUFF SANDSTONE |
| JS | SUMMERVILLE FORMATION |
| JT | TODILTO LIMESTONE |
| JE | ENTRADA SANDSTONE |
| TW | WINGATE SANDSTONE |

July 1955



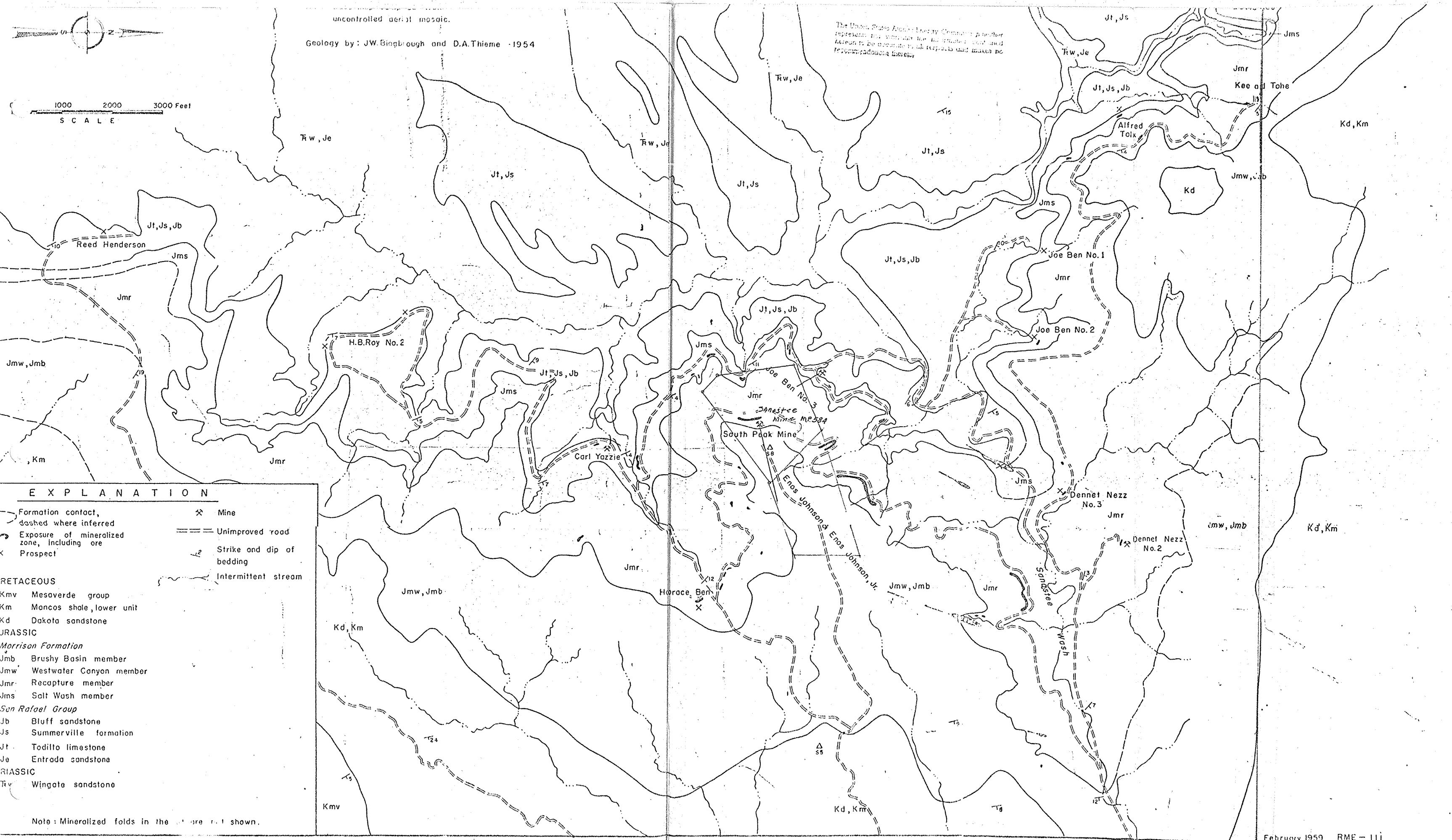


Figure 5. Geologic map showing uranium mineralization, Sanostee Wash area, San Juan County, New Mexico

P.O. Box 487 R. Rt.
Shiprock, NM 87420
June 3, 1976



The Navajo Tribe
Office of Minerals Development
P.O. Box 146
Window Rock, Arizona 86515

Dear Mr. Dawes

As we discussed during your recent visit of May 26, 1976 enclosed is a copy of our Mining Plan and Restoration Report, and a copy of the mine map.

Yours truly

Ray Williams
Ray Williams Mining

Enclosure

jw

UNITED STATES GOVERNMENT

Memorandum

TO : Area Real Property Management Officer

DATE: June 29, 1976

FROM : Area Natural Resource Manager

SUBJECT: Ray Williams Uranium Leases proposed Mining and Reclamation Plan

The subject plan does not adequately cover the restoration and reclamation of the non-mineral resource areas that may be disturbed. In order to do so the following things need to be included in the Restoration and Mining Plan:

1. The $4\frac{1}{2}$ miles of road constructed plus other roads built and not left for future use, will be graded and reseeded to a suitable vegetative cover.
2. The waste dumped in the old slopes to be graded and contoured to blend in with the surrounding areas and seeded to a suitable vegetative cover.
3. Grade and reseed the areas that may be disturbed around the mine portals.

The subject material is being returned.

Cliff S. Weaver

Enclosures

RECEIVED

JUN 29 1976

Area Branch of
Real Property Management



5010-108

Buy U.S. Savings Bonds Regularly on the Payroll Savings Plan



United States Department of the Interior
GEOLOGICAL SURVEY

P.O. BOX 1716
CARLSBAD, NEW MEXICO 88220

IN REPLY
REFER TO:

July 12, 1976

ANPMU
ASS'T
MINERALS <i>TL</i>
ORG
LEADING
R/ /
BR. SEC.
FILE

Memorandum

To: Realty Office, Bureau of Indian Affairs,
Window Rock, Arizona, Attention: Thomas Lynch

From: Howard B. Nickelson, Mining Engineer

Subject: Ray Williams - Mining Plan
Uranium Leases 14-20-0603-9996,
and NOO-C-14-20-2304

Enclosed are two EA's written for the subject mining plan, one copy for BIA and a copy for the Navajo Tribe.

Mr. Stewart did not sign the analysis as he was out of town. If his signature is necessary, please inform us and he can sign xerox copies of the last page and we will return them.

If approval of the plan can be given please phone this office so we can give Mr. Williams permission to begin mining. Your memo of approval and comments can follow.

Mr. Williams is quite anxious to begin mining and if approval could be expedited it would be appreciated by this office.

Howard B. Nickelson
Howard B. Nickelson
Mining Engineer

HBN:cj

Enclosures

RECEIVED

JUL 15 1976

Area Branch of
Real Property Mgmt.

ENVIRONMENTAL ANALYSIS

Supplemental Mining and Reclamation Plan
Ray Williams - Enos Johnson Mine
Sanostee-San Juan County, New Mexico
Navajo Reservation
Uranium Leases
14-20-0603-9996
and
NOO-C-14-20-2304

U. S. Geological Survey
Branch of Mining Operations
P. O. Box 1716
Carlsbad, New Mexico 88220

Prepared By
Howard B. Nickelson
Mining Engineer
July 12, 1976

Proposed Action

History

The Enos Johnson Mine is approximately 9 miles southwest of Sanostee, New Mexico.

The mine has had a long but intermittent life. Uranium mineralization was discovered by the AEC from a drilling project in early 1950. A uranium permit #18 was obtained from the Navajo Tribe by Enos Johnson, Sr. and Enos Johnson, Jr., Navajo Indians, April 26, 1952. The permit was assigned to Rowland D. Young, cancelled April 19, 1956, reassigned to Shiprock Industries, Inc., April 25, 1956, cancelled March 1, 1961. Both assignees produced some ore. On November 15, 1962, the Navajo Tribe issued Permit #584 to the Johnsons covering approximately the same lands in the permits above. The Permit #584 was assigned to Mr. Ivor Adair, (A&B Mining Company, on January 28, 1963, and this assignment was cancelled on May 5, 1964. The permit was reassigned to the present lessee on May 18, 1964. Permit 584 contained approximately 815 acres divided into six claims. On November 15, 1966, the permit was cancelled and on January 12, 1976, claim 1, 69.5 acres, became Lease No. 14-20-0603-9996 and claim 4, 54.7 acres, became Permit 616. Permit 616 went to Lease N00-C-14-20-2304 on February 20, 1969. The two leases have been in effect to this date and these leases are contiguous (See Figure 1).

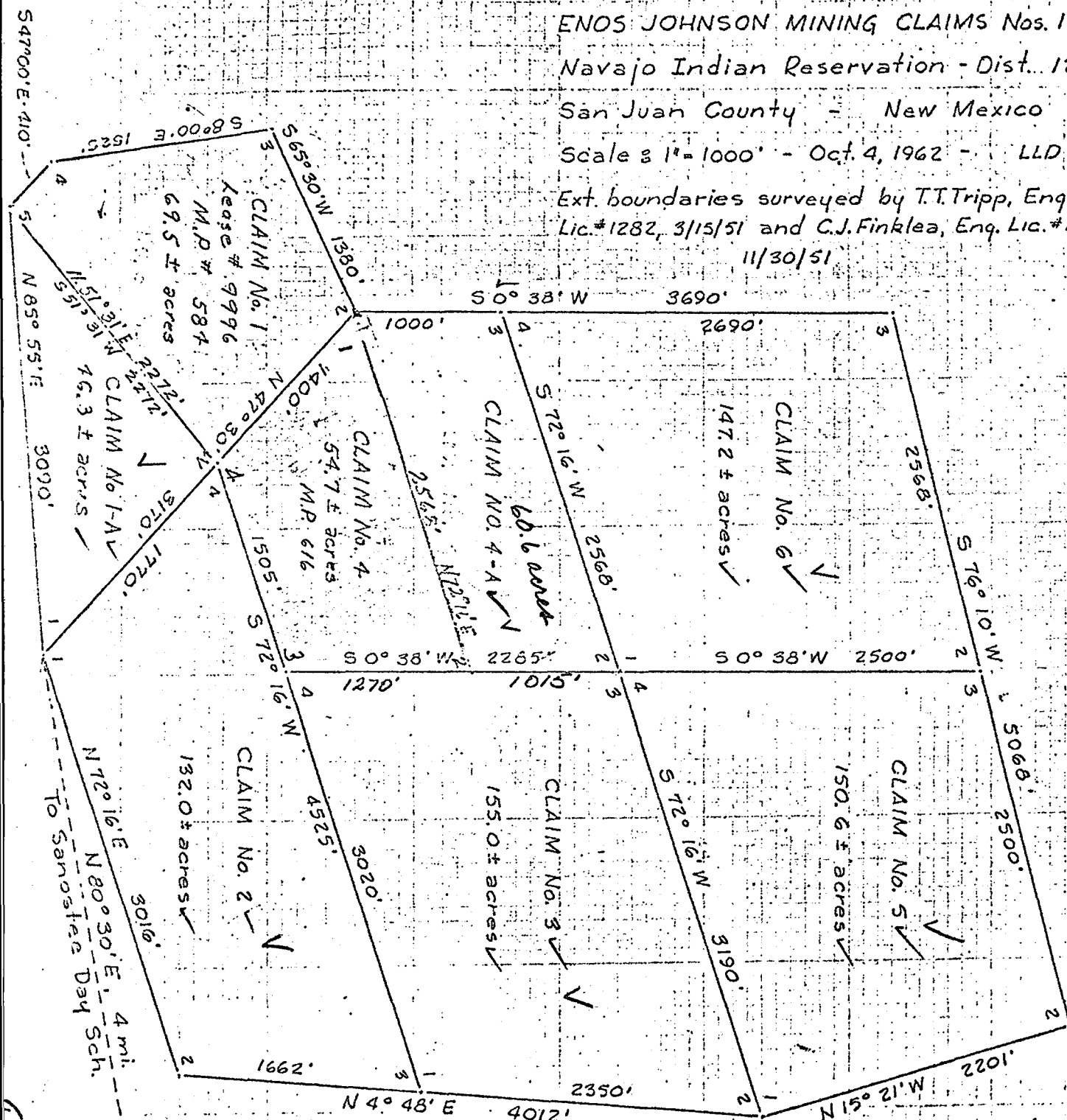
The leases will expire on February 20, 1979, and November 15, 1976, if the lands are not in production in paying quantities. Lease N00-C-14-20-2304 would be inaccessible if Lease 14-20-0603-9996 was

Plat of
 ENOS JOHNSON MINING CLAIMS Nos. 1-6
 Navajo Indian Reservation - Dist. 12

San Juan County - New Mexico

Scale 3 1" = 1000' - Oct. 4, 1962 - LLD

Ext. boundaries surveyed by T.T. Tripp, Eng.
 Lic. #1282, 3/15/51 and C.J. Finklea, Eng. Lic. #1302,
 11/30/51



~~out to ACIA 72-60~~

~~out to ACIA 72-67~~

~~out to ACIA 72-67~~

cancelled because the portals of the entries are on this lease.

The approximate mine location is shown on Figure 1 and on the Geologic Map, Figure 2, in the pocket. The workings are north of the line shown on the map.

The last ore shipped was during June 1971. At that time the price of uranium was depressed and the grade of the ore was so low buyers were reluctant to purchase it. Since that time the lessee has performed the development work and submitted the expenditures to the BIA as required under the terms of the lease. The development expenditure is \$10.00 per acre.

On April 20, 1976, Atlas Corporation and Ray Williams, lessee, entered into an ore purchase contract. The agreement makes it possible to sell low grade ore that has been stockpiled from previous mining and to mine low grade ores off the present mine workings. See the Atlas-Williams contract at end of this report.

As stated in the mining plan, during April 1976, Mr. Williams began to repair the road to the mine, overhaul equipment, register his intent to begin mining with the New Mexico State Mine Inspector in Albuquerque, New Mexico, and obtain safety equipment.

On May 3, 1976, Thomas Lynch ordered a mining plan filed with our office. See the letter and the Mining Supervisors reply in the addendum of this report.

A mining plan was filed with this office on May 20, 1976. The two plans were forwarded to the BIA, Realty Office, Window Rock, Arizona, for their comments in regard to the plan. See the writer's

memo in the addendum. As of July 2, 1976, the Bureau of Indian Affairs have made no comment.

Although no formal mining plan has previously been submitted, the approval of mining has not been disputed by the agencies concerned. The leases and permits issued in the past gave the various lessees and permittees the right to mine and sell the uranium ore on the properties. The mining plan submitted will be considered a supplemental as the ore will be mined off the present existing underground workings. No new entries or roads are planned. It is simply a renewal of operations because the present value of uranium makes the mine again economical.

On June 24, 1976, the writer visited the property. Mr. Williams was repairing equipment and shipping ore previously stockpiled on the dump. The mine has been approved for mining by the State and MESA.

Past Production

During the life of the property, from July, 1952 through December 1973, the property produced 37,755 tons of ore, 145,505 pounds of U_3O_8 , valued at \$497,547.51 and paid the Navajo Tribe \$43,824.20 in royalties.

Low Grade Ore in Stockpiles

During the years Ray Williams has mined the property he has separated the waste, 0.05% U_3O_8 , from low and medium grade material and stockpiled approximately 0.05 to 0.10% U_3O_8 material from material 0.10 to 0.15+ U_3O_8 separate. Even though some of the stockpiled low grade ore is on the steep slopes of the dump, it can be reclaimed from a road at the base of the dump. Presently the low grade is taken from

the top of the dump.

The writer gave permission to reclaim and sell as much of this material as possible prior to the plans approval. Mr. Lynch concurred. The material should be removed because it now has value. See Atlas purchase schedule in the addendum. It will also remove a part of the source of possible low level radiation emitted from uranium bearing rock on the surface at the mine site.

The Applicant

Ray Willaims is an independent lessee who has operated leases or mining claims in the 4-Corner States since the early 1960's. He either operates alone or has one miner or mucker to help him. He is a hard working, experienced miner and capable of operating the property. His home is at Sanostee, where he lives with his family. His address is 487 Rural Route, Shiprock, New Mexico 87420. The writer has known the applicant and inspected the Enos Johnson properties since 1964.

The Location

The leases are on the Navajo Reservation approximately 9 miles southwest of Sanostee, a small village in San Juan County, New Mexico. The mine is near the top of the mountain range southwest of Sanostee. The land is unsurveyed. A metes and bounds description is given in the ore purchase agreement and a plat of the leases is shown on Figure 1. To reach the mine from Shiprock, travel south on U.S. 666, 24 miles to where a road turns west. Sanostee is 10 miles from this turnoff. The mine is 9 miles southwest of Sanostee.

Roads

When the road is in good repair and dry, the mine can be reached by ordinary auto. The 7 1/2 minute USGS quadrangle map shows the road from Sanostee to the mine in red. The approximate location of the mine is shown on the topo map. Sorry, the adjoining Arizona sheet was not available in the office.

The roads were developed during the exploration drilling by the AEC in the early 1950's. The Navajos use the road to haul wood and for access to their sheep camps. The roads are dirt, unimproved except to haul ore from the leases. Previously the ore was hauled off the mountain with a smaller truck, dumped at Sanostee Creek and re-loaded into truck-trailer rigs. The roads have been improved over the last 4 1/2 miles where the ore trucks can now load the ore at the mine. The road from Sanostee to U.S. 666 is graveled and the road is oiled from there to Moab, the location of the Atlas mill.

The Mine

The mine map which does not have all the information that is required will be added to from information in this office and from the field examination. The haul level, direction of the ventilation, and stopings have been added.

The mine has been developed through two adits driven down the dip of the Recapture Member of the Morrison Formation, Cretaceous age. The inclination of the drifts varies from 5 to 15 degrees. The ore occurs in small lenticular bodies associated with the cross bedded and stream deposited sands of the Member. The ore can be of either the black and

yellow uranium minerals or both. The grade of the ore in the past has been marginal, overall less than 0.20% U_3O_8 . Mr. Williams plans to mine ore of 0.15% U_3O_8 or better in grade; however, material of lesser grade will be saved and sold if it has to be mined. See the ore purchase agreement.

The lenses of ore vary in thickness from a few inches to several feet. Note the stoped areas on the mine map.

The method of mining consist of the following steps:

1. Drill the ore with a jackleg type drill making certain the holes are probed and within the ore. The waste is also drilled at this time and the holes plugged for later blasting.
2. Blast and muck up the ore. The ore is loaded by a crawler type, Oliver loader into a Young Buggy and hauled to the surface and stockpiled.
3. The low grade material or waste is drilled and blasted and hauled to the surface as described above. If values are present, the material is separated and stockpiled. The openings have to be large enough to accommodate the above described loading and hauling equipment, approximately six feet in height.
4. The openings generally do not need support unless it becomes too wide. Stulls are used for support where needed. Roof bolts could also be used. If the ore body is large enough, the room and pillar method is used. The pillars are recovered.

The ventilation is provided by an electric 60" fan installed to exhaust out the east entry. It provides approximately 32,000 cfm of air to the main intake entry. The old stopes crosscuts have been bratticed or filled to provide an air circuit as shown on the mine map. The State Mine Inspector has tested the quality of the air for radon and it was within the allowable limits. Three small distribution fans are available to provide air off the main circuit to any working level. Fan tubing will pipe the air to these faces from these distribution fans.

The exhaust control for diesel engines, the amount of ventilation at the working faces, the radon control and other safety aspects will be carried out by the New Mexico State Mine Inspector or MESA.

The power to operate the fans is provided by a Witte diesel power plant. The air to drill the hole is provided by two air compressors, Ingersoll 125 and Leroy 210, gas or diesel fueled and operated off the surface. The compressed air is stored in air tanks and piped to the working faces. The jackleg is operated with water. The water is hauled underground in 50-gallon barrels, where it is transferred to a pressurized portable tank connected to the drill.

The ore is loaded into the trucks that transport the ore to the mill by a AC7 end loader. This same piece of equipment is also used to keep the area cleaned up. A D-6 cat is used for maintaining the haul road and pulling trucks up several steep places, if necessary, on the upper road. Later, when the mine can be abandoned, the dozer and end loader could be used to block the adits.

Mr. Williams has marked several areas (1, 2, 3, 4) on the mine map where he plans to begin mining. As mentioned previously, the ore is found in small lenticular pods and lenses. A great deal of drifting along indications with long holes all around is required to discover these pods. A counter equipped with a probe capable of testing the jackhammer long holes is an invaluable tool for finding this type of ore. It is not known the amount of ore in a definite place.

Mr. Williams has prospected and mined this type of ore for at least 10 years. Low grade ore in the stopes or along the walls will be recovered if it is possible to break even or make a small profit.

Mr. Williams will probably not employ more than 3 people to operate the property.

The starting date to mine will be when the Mining Supervisor approves this mining plan, and the mine will operate as long as ore is found to be profitable. This date is unknown.

Surface

The roads, adits and other surface disturbing impacts were created during the early 1950's when the AEC was exploring the area for uranium. The topography of the area is mountainous and roads were required for all the holes drilled. Some of these roads were later used to provide access to a number of small mines developed as a result of exploration. The main roads were maintained to provide access to the mines when they were in operations. The others have become inaccessible with non use.

Small areas were disturbed for each of the mines and natural plant growth has restored the ground surface at the sites. Some of the small adits may be open, but natural slough has closed many of them. The area being discussed includes an area shown on the accompanying geologic map made by the AEC in 1959.

Actions by Other Agencies

The only action required on a supplemental mining plan by other governmental agencies is the concurrence and comments from the Bureau of Indian Affairs who will consult with the Navajo Tribe.

The New Mexico State Mine Inspector will inspect and enforce the State Health and Safety Regulations. MESA will also be involved with health and safety of the operation.

Environmental Considerations of the Proposed Action

Geology

The geology of the area is shown on the enclosed map made by the AEC during their exploration of the area in the early 1950's.

The ore in the mine occurs in the Recapture Member of the Morrison Formation. Small pods of ore were also found in the Salt Wash Member, the basal member of the formation.

The small lense like ore bodies were described under the proposed action.

There has been no water encountered in the mine and none is expected.

There are no geologic hazards known that would affect the operation or involve the people associated with the mine.

Air Quality

The quality of the air will not be greatly affected by the small amount of diesel and gas engine exhausts emitted by the trucks hauling the ore from the mine, blasting gases from the mine, radon, and dust from the vehicles on the dry, dirt roads from Sanostee to the mine.

The vehicle travel will probably be one or two trucks, 5 days per week, and one or two pickups making one or two daily trips. This amount of travel in an area of very low population density will not create a noticeable impact to the air quality. Radon gas in the mine is diluted to a workable level before leaving the mine and the half life of radon daughter's gas is so short that air quality is not degraded appreciably. The blasting in the mine will usually be one or two small blasts per day which degrades the air in the mine for a short time depending upon the ventilation at the time. Dust from the trucks and vehicles can be seen, but the dust amount will be small because of the few trips made per day.

Overall, the quality of the air will hardly be affected.

The temperature varies from sub-zero in the winter to the nineties in the summer. At the mine it is cool as the elevation is about 7,400 feet above sea level.

Precipitation is estimated to be approximately 7 inches at Sanostee and 14 inches at the mine per year.

Severe weather conditions do exist.

Severe thunderstorms occur during the summer months and severe cold and heavy snow storms do occur. These thunderstorms will wash the roads and the snow will block the roads at the higher elevations. Work stoppage can be expected several times during the year.

Water

The mine is dry and no water is expected in the advance of the underground workings.

The mine waste was dumped on a steep slope in front of the adits, some low grade material of which some will be recovered, is also stored on the steep slope. A road has been cut at the foot of these dumps to keep the dump from spreading down the slope and to facilitate the removal of low grade material.

No or very small amount of erosion occurs on these dumps because of the porous sandy material and the steep slope of the dump that offers a large surface area in respect to the projected horizontal area. No drainage or erosion problems will occur in the waste or stockpile area.

No streams exist that flow the year around. The large drainage system that drains to the north and lies 2,500 feet west of the mine (Note geologic map), is the major drainage that could be affected.

The project will not effect the ground water and have no or very small effect upon the surface water that occurs intermittently in the arroyos. A small amount of mine waste may eventually be carried in the major drainage. The amount would be small, and as the length of the arroyo is 4 or 5 miles from the nearest inhabitant, the uranium

in the silt and water would be well diluted and harmless.

Land Use

The use of the land is for grazing, firewood, wildlife, scenic and limited mining. Sanostee is an Indian village that provides grazing livestock in the immediate area. It is also a BIA school center.

Sheep, and some cattle, are grazed around the mine site during the summer months. The road provides access to firewood that is used by the local people. The subject mine is the only mine operating in the area. There are some small herds of deer and flocks of wild truckey in higher elevations.

No known historical site is in the vicinity, but archaeological sites are visible in the rocky canyons west of the property. Previous roads and land disturbance were probably never checked for sites, but no new road or land disturbance is planned. Archaeological clearance would not be needed. If sites existed when the roads were build, the damage has been done and further damage would be none or minor.

From the mine site area to the west, the view is very scenic. The whole area at higher elevations is very scenic. The one-half acre or so of land disturbed by the mine does not detract from the overall scenic beauty of the rugged area.

The only reclamation needed would be the abandonment of the openings by filling when the property is depleted of ore. The roads will have use after the mines are abandoned. Some water bars stratigically located on the lease area would help keep the roads

from eroding. This should be done after abandonment. Water bars may create hazardous road conditions for the heavily loaded ore trucks. The road at the claim line probably should be blocked to keep people out of the old adit areas.

Fauna and Flora

Impacts and disturbance of animals and plants will be minor.

Somewhat more traffic may be expected and more human involvement may occasionally disturb the deer and turkey. This involvement would be more than when the mine was closed because the road has made the area more accessible. Wood hauling will probably increase due to the improved road. A maximum of six people, 5 days per week, could be in the mine area that were not present when the mine was not operating.

Socio-Economic

The project will employ at least two Navajo Indians, give employment to one or two truck drivers, and provide employment for Mr. Williams and one of his relatives.

It will provide royalty revenue to the Navajo Tribe, overriding royalty to the Enos Johnsons. The amount of royalty that will be derived from the project is not known because the reserves are not known. The Navajo employees are local, and Mr. Williams lives at Sanostee. The impact, if any, on the village will probably be for the better.

The low rainfall in the area, less than 1 inch, makes it difficult to keep the main road from Sanostee to the Highway from being damaged

by the heavier traffic. This will cause complaints until it rains and the roads are graded.

Alternatives to the Proposed Action

There are no alternatives to the proposed action. If Mr. Williams was not allowed to mine, the terms of the lease would be broken. The lease gives him the right to mine the ore found on the leases.

Unavoidable Adverse Environmental Effects

The environmental effects of the proposed action are small or none.

The mine has been operation since early 1960, the roads, drill holes and the mines themselves were made at that time. The proposed action will use these old facilities and no new adverse effects are anticipated under the mining plan. The impacts on the land were created during the early uranium exploration, and at that time, the impacts would now be considered minor and could be mitigated.

Recommendations and Determinations

1. It is recommended that the mining plan be considered a supplemental plan because the proposed plan is the resumption of previous mining that was forced to discontinue due to low prices for the uranium. The prices for uranium ore offered by Atlas now justifies the re-opening of the mine.
2. It is recommended that the Mining Supervisor approve the plan as presented. No major impacts now exist, and it is anticipated that none will occur.

3. The abandonment is stated by Mr. Williams rather briefly, but covers the abandonment that needs to be done. The adits will need to be sealed and the site cleaned of machinery and garbage. Prior to abandonment, the Supervisor will consult with the lessee in regard to the abandonment procedure.
4. In my opinion, the proposed action does not constitute a "major Federal action" significantly affecting the quality of the human environment in the sense of NEPA, Section 102 (2)(c).

Howard B. Nickelson
Howard B. Nickelson
Mining Engineer

I concur with Mr. Nickelson's recommendations.

David R. Stewart
Deputy Mining Supervisor
U. S. Geological Survey

RECEIVED

MAY 5 - 1976

Navajo Area Office
Window Rock, Arizona 86515

U. S. Geological Survey
Carlsbad, N. M.
ARPM/332

May 3, 1976

Mr. Ray Williams
P. O. Box 487
Shiprock, New Mexico 87420

Dear Mr. Williams:

On April 27, 1976, you advised me by telephone that you will commence mining operations on two uranium properties located near Sanostee, New Mexico and that you will sell ore therefrom to the Atlas Minerals mill at Moab, Utah.

Before commencing mining operations, you must file a mining and restoration plan with the Area Mining Supervisor, U. S. Geological Survey for approval. This requirement is cited in 30 CFR 231 under Paragraph III(7) of the lease form.

By a copy of this letter, we are requesting the Area Mining Supervisor, U. S. Geological Survey, Carlsbad, New Mexico to send you a copy of the regulations under 30 CFR 231 for your information and compliance.

Our records on uranium leases No. 14-20-0603-9996 and N00-C-14-20-2304 indicate that they will expire by their own terms on November 15, 1976, and February 20, 1979, respectively, if the minerals specified in the leases are not produced in paying quantities.

The provisions of the National Environmental Policy Act of 1969 require the preparation of an environmental assessment, or environmental statement as required, on those proposed actions when determined to be major federal actions having an effect on the quality of the human environment.

In order for you to comply with the act and prior to any mining, prepare or have prepared an environmental impact report and submit to the Area Mining Supervisor, U. S. Geological Survey for his necessary action.

Sincerely yours,

/S/ THOMAS LYNCH

Realty Specialist

cc: USGS, Carlsbad, New Mexico
Office of Minerals Development, NT

168
OK
ARM
ASF
DS

1000 #9716

May 10, 1976

Mr. Ray Williams
P. O. Box 487
Shiprock, New Mexico 87220

Dear Mr. Williams:

You advised this office by telephone that you would like to resume mining operations on your Navajo Tribal uranium leases 14-20-0603-9996 and NOO-C-14-20-2304 near Sarroste, New Mexico. Enclosed are copies of the Operating Regulations for Exploration, Development and Production 30 CFR, Part 231 and the Bureau of Indian Affairs Regulations 25 CFR, Part 177, Surface Exploration, Mining and Reclamation of Lands.

Your attention is directed to parts 231.10, 231.11, and 231.20 of the Geological Survey regulations and parts 177.6 and 177.7 of the Bureau of Indian Affairs regulations which describe the information to be furnished to this office. Section 231.10 of the regulations require that before operations commence on a leasehold, an exploration or mining plan must be submitted to the Mining Supervisor for his approval showing in detail, by maps and a narrative report, the proposed exploration, mining and reclamation operations to be conducted on the leased lands. The maps and plans should be submitted in quintuplicate.

Engineers from this office will inspect your operations from time to time. Please feel free to call on them for any help or advice you may need.

Very truly yours,

R. S. Fulton

R. S. Fulton
Area Mining Supervisor

RSF:cj

Enclosures

Atlas Minerals

RECEIVED Division of Atlas Corporation

P.O. Box 1207 Moab, Utah 84532

MAY 20 1976

U. S. Geological Survey
Carlsbad, N. M.

May 17, 1976

Mr. David R. Stewart
U.S.G.S.
P. O. Box 1716
Carlsbad, New Mexico 88220

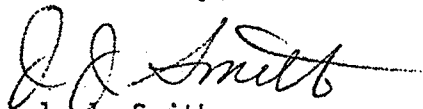
Dear Sir:

Please find enclosed the Ore Purchase Contracts between Atlas Corporation and Ray Williams on the Enos Johnson claims in the Sanostee New Mexico area.

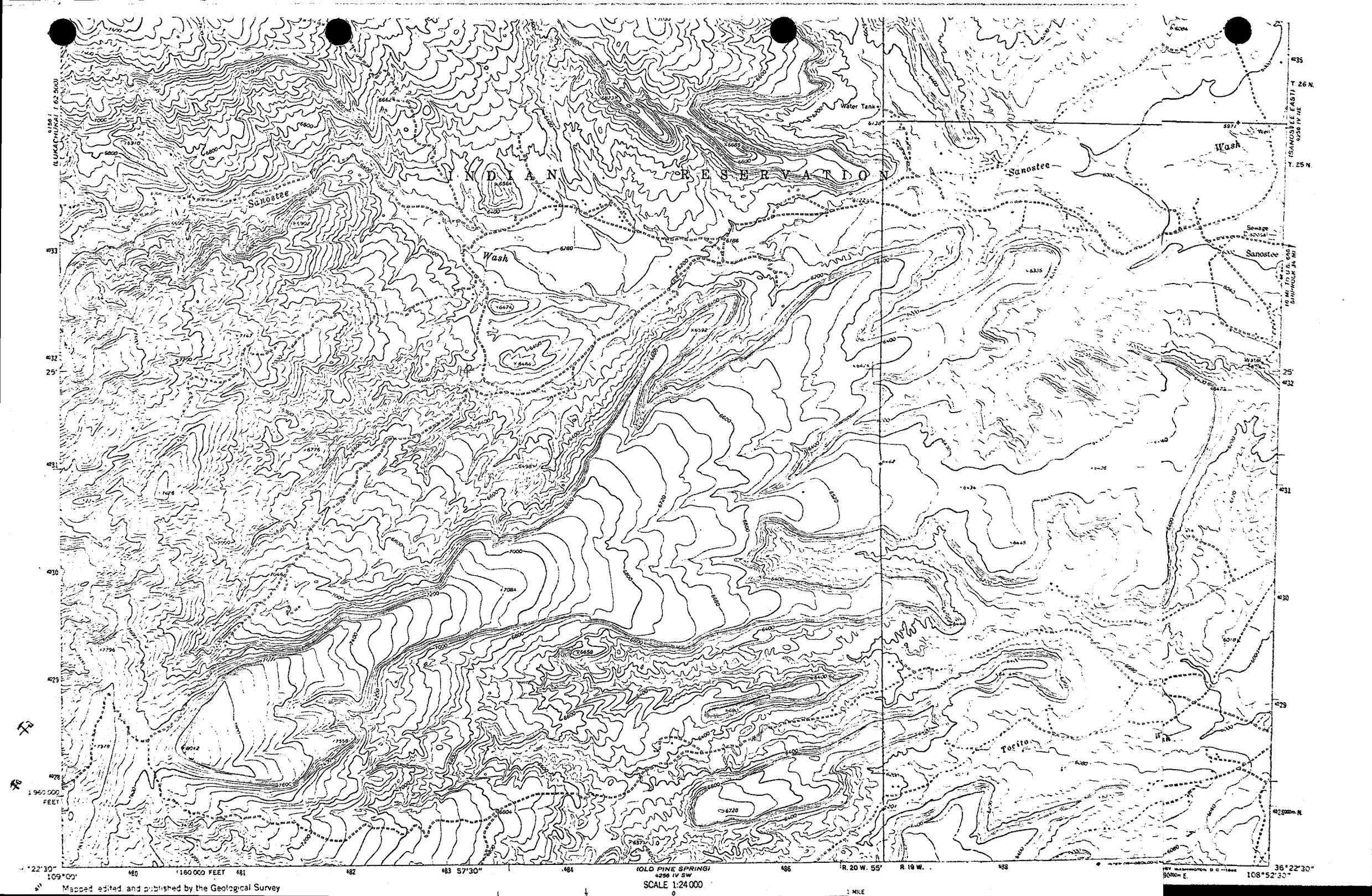
Mr. A. E. Dearth was informed by the Navajo legal council that Atlas should not accept production ore until a mining plan had been submitted and accepted for the property. I talked with Ray May 14th, and he said he had a mining plan nearly ready to present to you. He has been putting in much time and worry on the project, and I hope that his mining plan satisfies the requirement.

We are ready to process the production as soon as we get notice that we are allowed to do so.

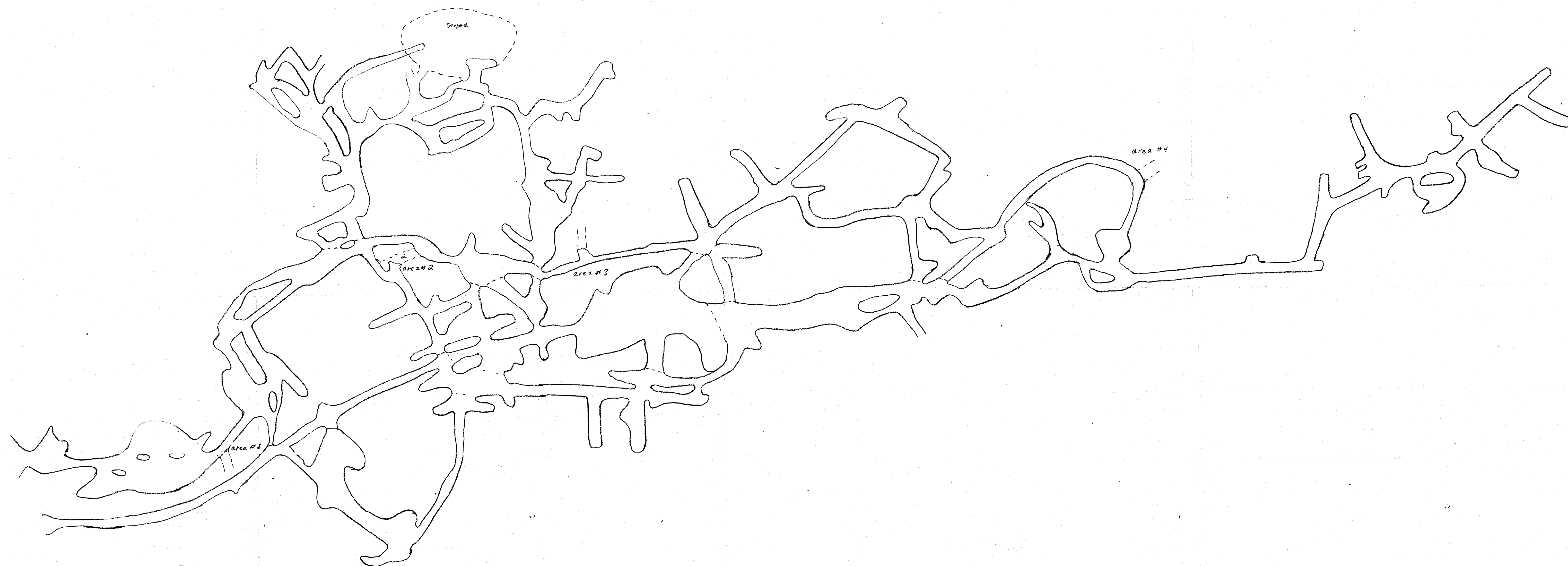
Yours truly,


J. D. Smith
Ore Buyer

JJS/sh



North adit
located approx 2000' NE of
Enos Johnson Mine Portal



ENOS JOHNSON MINE

SANDSTEEF SAN JUAN CO NEW MEXICO
SAGE PISO May 24 1976
P Mine S W Sandsteef N M





MINING PLAN AND RESTORATION REPORT
ON ENOS JOHNSON MINE
OPERATED BY RAY WILLIAMS MINING
SANOSTEE, NEW MEXICO
LEASE #14-20-0603-9996
LEASE # NOO-C-14-20-2304

We began working to get the mine, located 9 miles Southwest of Sanostee, New Mexico, in condition for a full-scale mining operation on February 28, 1976. On approximately March 16, 1976 our good Young Buggy, 3 ton Deutz Diesel Truck, serial #25494 61-62, Truck type 3DGB serial #3015, Approval #24-24, was boldly driven $3\frac{1}{2}$ miles off the hill and loaded on a trailer and stolen.

On April 12, 1976 we steadily employed Carl Yazzie at \$5.00 an hour and his 18 year old son, Willard Yazzie, at \$3.00 an hour. We also have had a friend and my family running parts and rebuilding roads to help get the mine in shape.

On April 26, 1976, we went to Albuquerque and registered with Joe D. Longacre Sr., State Inspector of Mines.

At this time we purchased new self-rescue units, ear plugs and muffs, light parts, in and out of mine tags, for the men, additional ventilation equipment, new caution, danger and no smoking signs.

Our shipping contracts are with Atlas Minerals of Moab, Utah.

The following is a report of repairs and improvements on the mine:

Powder and Cap Magazines

Rebuilt both powder and cap storage magazines to meet with new regulations. We cleaned out the two out-of-the-way adits and rebuilt magazines with wooden floors. Outer walls are constructed of 3/4" plywood, at least 2 more inches of wood and at least 1/4" of steel plate on the outside. They are drilled and bolted in the rock, and the bolts are welded to the steel frame. We used double hasps, double locks, and guards over the hasps and locks. Vented and painted.

Mine Maintenance

- a. Made necessary equipment repairs
- b. Scaled-down and cleaned portals, escape route, return air loop and part of main haulageway.
- c. Retimbered portals, escape route, return air loop, and part of main haulageway.
- d. We installed new caution, danger, and no smoking signs.

Ventilation

To improve our mine ventilation we have increased the fan output, resealed all headings, cleaned out air loop passageways from top to bottom, sorted out approximately 30 tons of ore and stored it at the mine, installed new brattices and wetted some haulageways.

Deputy State Inspector of Mines, Lucio A. Quinones, was here May 14, 1976 to check our air ventilation and radon concentrations. The radon and air volume readings, in the areas to be worked are as follows:

1. Small lead of ore off main haulage; 32,000 CFM radon reading 0.1
-

2. Main haulage improvement drift; approximately 30,000 CFM (no volume reading taken) radon reading 0.1
3. Below stope haulage; 26,000 CFM radon reading 0.8
4. Exploration drift before distributing fan; 16,500 CFM radon reading 1.1

Mr. Quinones approved us for mining at this time.

Road Improvements

Rebuilt upper $4\frac{1}{2}$ miles of mine road to accommodate ore trucks. Rebuilt with drainages to control erosion.

Rebuilt small road around to and cleaned up the north adit.

Equipment Used in Mining Operation

- (1) OC46 Oliver Crawler tractor with approved Deutz Diesel engine.
- (2) Jackhammer and legs
- (2) Witte Diesel power plants
- (2) Air compressors
 - a. Ingersol 125
 - b. Leroi 210
- (1) AC7 loader for loading trucks and cleaning up dump.
- (1) D6 Cat for maintaining upper road and pulling ore trucks.
- Air and water pipe and hose
- Miscellaneous and handtools

Ventilation Equipment

- (1) 60" propellor fan for main air loop
- (1) 5 h.p. 16" distribution fan
- (1) 3 h.p. 12" distribution fan
- (1) $3/4$ h.p. 6" distribution fan

Safety Equipment

Stretcher

Miscellaneous first aid equipment

Fire extinguishers

Ear plugs and muffs

Self-rescue units

Roof jack

CO tester

All required wearing apparel for safety

Summary

We were advised by letter from Thomas Lynch, Realty Specialist, May 3, 1976, and R. S. Fulton, Area Mining Supervisor's letter dated May 10, 1976, that we were required to send in a mining plan and restoration report before we commenced mining operations.

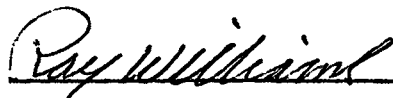
We have since been compiling the report and have finished the cap magazine.

We are presently cleaning the entire mine yard of old iron, wood, and debris; cleaning up the dump and shipping our stock-piled low grade ore; and rebuilding our spare Young Buggy Diesel Truck, as it smoked too much with the old Buda engine. The repairs are a new Bureau of Mines approved F2L912W Deutz Diesel engine, new up-to-date drive train, and an improved braking system.

Working on ventilation.

It is our intent to run drifts trying to develop out new ore, to clean up, and ship low grade ore out of old stopes. To store waste back in old stopes. To steadily mine his property, if it can be done profitably and to make as many jobs for the community as possible, with no harm to the environment.

Upon completion of the operation, to seal off mine portals, and leave the entire premises neat and clean.

A handwritten signature in cursive script, reading "Ray Williams", written over a horizontal line.

Ray Williams Mining

P.O. Box 487 R. Rt.
Shiprock, NM 87420
June 3, 1976



The Navajo Tribe
Office of Minerals Development
P.O. Box 146
Window Rock, Arizona 86515

Dear Mr. Dawes

As we discussed during your recent visit of May 26, 1976 enclosed is a copy of our Mining Plan and Restoration Report, and a copy of the mine map.

Yours truly

Ray Williams
Ray Williams Mining

Enclosure

jw

Navajo Area Office
Window Rock, Arizona 86515

May 3, 1976

ARPM/332

Mr. Ray Williams
P. O. Box 487
Shiprock, New Mexico 87420

Dear Mr. Williams:

On April 27, 1976, you advised me by telephone that you will commence mining operations on two uranium properties located near Sanostee, New Mexico and that you will sell ore therefrom to the Atlas Minerals mill at Moab, Utah.

Before commencing mining operations, you must file a mining and restoration plan with the Area Mining Supervisor, U. S. Geological Survey for approval. This requirement is cited in 30 CFR 231 under Paragraph III(7) of the lease form.

By a copy of this letter, we are requesting the Area Mining Supervisor, U. S. Geological Survey, Carlsbad, New Mexico to send you a copy of the regulations under 30 CFR 231 for your information and compliance.

Our records on uranium leases No. 14-20-0603-9996 and N00-C-14-20-2304 indicate that they will expire by their own terms on November 15, 1976, and February 20, 1979, respectively, if the minerals specified in the leases are not produced in paying quantities.

The provisions of the National Environmental Policy Act of 1969 require the preparation of an environmental assessment, or environmental statement as required, on those proposed actions when determined to be major federal actions having an effect on the quality of the human environment.

In order for you to comply with the act and prior to any mining, prepare or have prepared an environmental impact report and submit to the Area Mining Supervisor, U. S. Geological Survey for his necessary action.

Sincerely yours,

/S/ THOMAS LYNCH

Realty Specialist

cc: Office of Minerals Development, NT
ARPM/332 - Cont. #0603-9996 & N00-2304
Chrono
MSF
100/300
330:TYLNCH:ira:05/03/76a

Navajo Area Office
Window Rock, Arizona 86515

May 3, 1976

ARPM/332

Mr. Ray Williams
P. O. Box 487
Shiprock, New Mexico 87420

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Sincerely yours,

/s/ THOMAS LYNCH

Realty Specialist

cc: USGS, Carlsbad, New Mexico
Office of Minerals Development, NT
ARPM/332 - Cont. #0603-9996 & N00-2304
Chrono
MSF
100/300
330:TLNCH:lra:05/03/76a

Navajo Area Office
Window Rock, Arizona 86515

May 3, 1976

ARPM/332

Mr. Ray Williams
P. O. Box 487
Shiprock, New Mexico 87420

Dear Mr. Williams:

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Sincerely yours,

/s/ THOMAS LYNCH

Realty Specialist

cc: USGS, Carlsbad, New Mexico
Office of Minerals Development, NT
ARPM/332 - Cont. #0603-9996 & N00-2304
Chrono
MSF
100/300
330:TYLNCB:lra:05/03/76a

Petroleum \$9500

~~Appointment~~
Temp appointment
\$9500 - HANSON

Navajo Area Office
Window Rock, Arizona 86515

May 3, 1976

AKPM/332

Mr. Ray Williams
P. O. Box 487
Shiprock, New Mexico 87420

Dear Mr. Williams:

On April 27, 1976, you advised me by telephone that you will commence mining operations on two uranium properties located near Sanostee, New Mexico and that you will sell ore therefrom to the Atlas Minerals mill at Moab, Utah.

Before commencing mining operations, you must file a mining and reclamation plan with the Area Mining Supervisor, U. S. Geological Survey for approval. This requirement is cited in 30 CFR 231 under Paragraph III(7) of the lease form.

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Our records on uranium leases No. 14-20-0603-9996 and NMO-C-14-20-2304 indicate that they will expire by their own terms on November 15, 1976, and February 20, 1979, respectively, if the minerals specified in the leases are not produced in paying quantities.

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Sincerely yours,

/s/ THOMAS LYNCH

Realty Specialist

cc: USGS, Carlsbad, New Mexico
Office of Minerals Development, NT

**Navajo Area Office
Window Rock, Arizona 86515**

December 17, 1973

Memorandum

To: U. S. Geological Survey, Carlsbad, New Mexico
From: Realty Specialist, Area Real Property Management
Subject: Ray Williams - Tribal Uranium Mining Lease No. 14-20-0603-9996

We wrote to Ray Williams on October 19, 1973, advising that his lease is subject to cancellation for (1) failure to maintain the lease in production since February 1971 and (2) for failure to file annual development expenditure reports. A copy of the letter was sent to you for information.

In response, Mr. Williams filed expenditure reports on November 16, 1973, which we returned to him for certification. A copy of the report is enclosed for your review and recommendation. The reports cover lease years 1971, 1972 and 1973. The 1971 and 1972 reports are combined for the two leases.

The report for 1971 indicates ore shipments from December 1970 to June 1971 of 725 tons. Our records show shipments of 928.76 tons in November, December 1970, and February 1971.

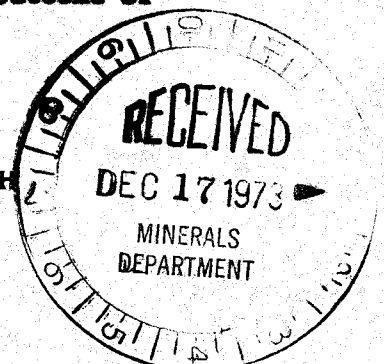
In my opinion, Mr. Williams did not show cause as to why the leases should not be cancelled by hand-carrying the expenditure reports. I asked him if he was going to produce other information or request a hearing and he said he would attend a hearing if necessary.

I advised him of his rights under Paragraph 23 of the lease terms. I also told him that I would have to request your recommendations and that of the Office of Minerals Development of the Navajo Tribe, before proceeding further at this time.

On November 21, 1973, he paid the rent on both leases, but I deposited the rental in escrow on lease No. 14-20-0603-9996 pending outcome of the review.

We would appreciate receiving your recommendations.

TS7 THOMAS LYNCH



Enclosure

cc: Office of Minerals Development, NT

United States Department Of The Interior
Bureau Of Indian Affairs
Navajo Area Office
Real Property Mgmt. Dept.
Window Rock, Arizona

DEVELOPEMENT-EXPENDITURE REPORT - 1971

ENOS JOHNSON LEASES NUMBERS - 14-20-0603-9996 69.5 Acres
N00-C-14-20-2304 54.7 Acres

12-70	shipped	564 Tons	
1-71	shipped	51 Tons	
2-71	shipped	57 Tons	
6-71	shipped	53 Tons	
Total Shipped 1971		725 Tons	\$2,175.00

2100 Tons Low Grade Ore Stored In The Dump..... 6,300.00

Road Work 300.00

Equipment Maintance 500.00

Long Hole Drilling 400.00

Total Expenditures For 1971 \$9,675.00

I, Ray Williams, being the lessee named in the above leases, do hereby make this statement that the amounts shown have been expended in development of the lease premises as required by Paragraph 5 of the lease, and further certify that this is a true and correct expenditure report.

Ray Williams
RAY WILLIAMS MINING

Hutchinson
NOTARY PUBLIC



United States Department Of The Interior
Bureau Of Indian Affairs
Navajo Area Office
Real Property Mgmt. Dept.
Window Rock, Arizona

DEVELOPEMENT-EXPENDITURE REPORT - 1972

ENOS JOHNSON LEASES NUMBERS - 14-20-0603-9996 69.5 Acres
N00-C-14-20-2304 54.7 Acres

Road Work \$100.00

Mine Clean Up and Maintenance..... 200.00

Mined 250 Ton Low Grade Ore Stored In The Dump.... 750.00

Prospecting, Removal Of 400 Ton Waste, Mined and
Stored 39 Tons Ore 1,290.00

Equipment Maintenance 300.00

Total Expenditures For 1972 \$2,640.00

I, Ray Williams, being the lessee named in the above leases,
do hereby make this statement that the amounts shown have been
expended in the development of the lease premises as required
by Paragraph 5 of the lease, and further certify that this is
a true and correct expenditure report.


RAY WILLIAMS MINING


NOTARY PUBLIC



United States Department Of The Interior
Bureau Of Indian Affairs
Navajo Area Office
Real Property Mgmt. Dept.
Window Rock, Arizona

DEVELOPEMENT-EXPENDITURE REPORT - 1973
ENOS JOHNSON LEASE NUMBER - 14-20-0603-9996 69.5 Acres

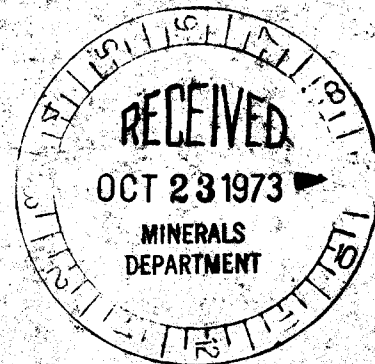
Removal of 200 Tons Low Grade Ore	\$500.00
Road Work.....	100.00
Mine Maintance	300.00
Equipment Maintance	200.00
Total Expenditures For 1973	\$1,100.00

I, Ray Williams, being the lessee named on the above leases, do hereby make this statement that the amounts shown have been expended in development of the lease premises as required by Paragraph 5 of the lease, and further certify that this is a true and correct expenditure report.


RAY WILLIAMS MINING


NOTARY PUBLIC





Navajo Area Office
Window Rock, Arizona 86515

October 19, 1973

CERTIFIED MAIL-RETURN RECEIPT REQUESTED

Mr. Ray Williams
Box 487 R.S. Route
Shiprock, New Mexico 87420

Dear Mr. Williams:

We have reviewed your uranium mining lease No. 1A-25-0003-9994 covering 69.5 acres located approximately four miles southwest of the Sanagtee Day School in District No. 12.

Production from this lease has been sporadic since 1969. There was some production in December 1970, and the last production was in February 1971. The lease is in its seventh (7th) lease year ending November 15, 1973.

The lease is considered for cancellation for your failure to comply with the following:

1. The lease was issued for the sole purpose of prospecting for and mining uranium and associated minerals.
2. Development-Expenditure reports have not been filed as required by Paragraph 5 of the lease.

You have not occupied as much of the surface as is necessary to carry on the work of prospecting for and mining, preparation, and removal of said (uranium) minerals, including milling and storing since February 1971 and therefore, unless you can show cause as to why the lease should not be terminated within 30 days from date of receipt hereof, the lease will be processed for cancellation. This means that you will have to abandon the mine in a safe manner so as not to present a hazard to livestock and human lives. The abandonment must be approved by the U. S. Geological Survey and the lessee before releasing your bond.

Sincerely yours,

757 THOMAS LYNCH

Lease Specialist

cc: U.S. Geological Survey, Carlsbad, New Mexico
Office of Minerals Development, The Navajo Tribe

Navajo Area Office
Window Rock, Arizona 86315

August 25, 1970

Mr. Ray Williams
Box 487 Rural Star Route
Shiprock, New Mexico 87420

Dear Mr. Williams:

We have received your Uranium Mining Lease Contract No. N00-C-14-20-2304, which was converted to a lease from Mining Permit No. 616. The records indicate no production has been realized from this property.

We have on file a \$1,000.00 Cash Bond, and your lease indicates that an acceptable surety bond in the amount of \$1,000.00 is to be filed. We can no longer keep on deposit your Cash Bond in lieu of a surety bond as required by the regulations. Enclosed is bond form 5-154b, which you may use in obtaining the bond from an acceptable surety.

Since the lease is in violation of the production requirement within six months of approval, we are reviewing the file for cancellation, therefore, you should relinquish the lease.

Sincerely yours,

/s/ THOMAS LYNCH

Realty Officer

Enclosure

cc:
Tribal Minerals Department ✓

Navajo Area Office
Window Rock, Arizona 86515

August 25, 1970

Memorandum

To: U. S. Geological Survey, Carlsbad, New Mexico
From: Area Real Property Management Officer
Subject: Navajo Tribal Uranium Mining Lease Contract No. NCO-G-14-
20-2304, Ray Williams

This mining lease was approved in favor of Ray Williams February 20, 1969, covering 54.7 acres of land previously covered by Enos Johnson's Mining Permit No. 616, Claim No. 4.

We have not received reports indicating development expenditures equivalent to \$10.00 per acre per year. The lease has not been placed into production six months after the approval date of the lease. We believe that this lease, which is now in its second lease year, is subject to cancellation.

Mining Permit No. 616 was assigned to Ray Williams on February 13, 1967 and held for two years without production, which makes a total of four years that this property has been held without production.

We would appreciate receiving your comments as to whether this lease is subject to cancellation due to lack of production.

/s/ THOMAS LYNCH
Realty Officer

cc:
Tribal Minerals Department ✓



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. BOX 1716
CARLSBAD, NEW MEXICO 88220

May 29, 1969

RECEIVED

JUN 2 1969

THE NAVAJO TRIBE
MINERALS DEPT.

MINE INSPECTION REPORT
SANDSTEE MINE
NAVAJO RESERVATION
SAN JUAN COUNTY, NEW MEXICO

URANIUM LEASE
14-20-0603-9996

by
Howard B. Nickelson
Mining Engineer

U. S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
BRANCH OF MINING OPERATIONS
CONSERVATION DIVISION

The mine was inspected on May 19, 1969, by the writer. Mr. Ray Williams was repairing his endloader on the day of the inspection. He has made a road to the north to an old adit that has about 2½ feet of ore that probes about 0.6 percent U_3O_8 . He plans to mine this as soon as he can get equipment and a pad built for storing the ore.

He has been working up to this time mining from the old mine. He has approximately 200 tons of 0.24 percent U_3O_8 stockpiled at the mine. He hasn't sold the ore because of an unfavorable price. He is not mining in the old mine. No safety violations or violations of the lease terms were noted during the examination.

Howard B. Nickelson
Howard B. Nickelson
Mining Engineer

Orig. to: Director, Navajo Area Office
cc: Comm., Office of Indian Affairs
: Minerals Supervisor, Window Rock ✓
: Chief, Branch of Mining Operations
: Bureau of Mines, Denver
: Files

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

CONTRACT No. NCO-C-14-20-2304

MINING LEASE INDIAN LANDS
(For Minerals other than Oil and Gas)

Uranium Mining Lease Navajo Reservation

THIS INDENTURE OF LEASE, made and entered into in sextuplicate, on this 13th day of

August, 1968, between The Navajo Tribe of Indians

of Apache County, State of Arizona, part Y of the first part, herein

after called the lessor, and Ray Williams

of Littlewater, State of New Mexico, part Y of the second part, hereinafter called the lessee

WITNESSETH:

I, Lessor, in consideration of \$1, receipt of which is hereby acknowledged, of the rent and royalty to be paid, and of the agreement of the lessee herein contained, grants and leases unto lessee for the sole purpose of prospecting for and mining minerals, as follows: Uranium and other minerals associated therewith

the land described as follows: Claim No. 4 - Beginning at Corner No. 1 which is common with Corner No. 2 of Claim No. 1 of Mining Permit No. 584, thence North 73°16'E., 2,568' to Corner No. 2; thence South 0°38'W., 1,270' to Corner No. 3; thence South 72°16'W., 1,505' to Corner No. 4; thence North 47°30' W., 1,400' to Corner No. 1 the point of beginning, containing 54.7 acres more or less. Located in District 12, San Juan County, New Mexico.

section _____, township _____, range _____, meridian, _____

Reservation, _____ County, State of _____, and containing

_____ acres, more or less. The lessee may occupy as much of the surface of the land as is necessary to carry on the work of prospecting for and mining, preparation, and removal of said minerals, including milling and storing.

II. TERM.—Subject to the other provisions herein contained, this lease is for a term of 10 years from the date of its approval and as long thereafter as the minerals specified are produced in paying quantities.

~~Area Director~~

III. DEFINITION.—Superintendent refers to the official in charge of the Indian Agency that has jurisdiction over the lands leased.

IN CONSIDERATION OF THE FOREGOING, THE LESSEE AGREES:

(1) ROYALTY.—To pay, or cause to be paid, to the "Bureau of Indian Affairs" and mail
check to Navajo Area Office, Window Rock, Arizona

for the use and benefit of the lessor, a royalty as follows:

See attached

All royalty accruing for any month shall be due and payable before the twenty-fifth day of the following month. During the period that the land is under Federal jurisdiction, the royalty provisions of this lease shall be subject to reasonable adjustment by the Secretary of the Interior or his authorized representative at the end of the first and each successive 10-year period, such adjustment being based upon market conditions as supported by evidence from the field.

(a) MINIMUM ROYALTY.—To pay, or cause to be paid, to the ~~Area Director~~ for the use and benefit of the Indian landowners, at the expiration of each lease year, commencing with the _____ lease year, a minimum royalty of \$ _____ per acre, or, if there is production, the difference between the actual royalty paid during the year and the prescribed minimum royalty, if the actual royalty paid is less than the minimum royalty.

(2) ANNUAL RENTAL.—To pay, or cause to be paid, to the Area Director for the use and benefit of the lessor, in advance, beginning with the date of approval of the lease, as annual rental, the sum of One Dollar (\$1) per acre for the first lease year, and One Dollar (\$1) per acre per year, in advance of each anniversary date of the lease, for each and every year thereafter during the continuance of the lease. The rent is not to be credited on the royalties accruing to the lessor under this lease. If the lease is surrendered or canceled, no rent accruing to the lessor will be refunded.

(3) DILIGENCE, PREVENTION OF WASTE.—To exercise diligence in the conduct of prospecting and mining operations, to carry on development and operations in a workmanlike manner and to the fullest possible extent; to neither commit nor suffer waste to be committed upon the land leased; to comply with the applicable laws of the State in which the land is located; to take appropriate steps to preserve the property and provide for the health and safety of workmen; to surrender and return promptly the premises upon the termination of this lease to whoever is lawfully entitled thereto, in as good condition as received, except for the ordinary wear and tear and unavoidable accidents in their proper use of the premises; not to remove any building or permanent improvement erected on the leased property during the lease. If the payments agreed upon by this lease have been made and the other lease terms and applicable regulations have been complied with, the office fixtures and records, personal property, tools, pumping, and drilling outfits, boilers, engines, and mining machinery may be removed by the lessee at any time before 60 days after the lease expires by forfeiture or otherwise.

(4) FOREST PROTECTION.—The lessee agrees:

(a) Not to cut, destroy or damage timber without prior authority of the Commissioner of Indian Affairs or his authorized representative, such authorization to be made only where required by the pursuance of necessary mining operations.

(b) To pay for all such timber cut, destroyed or damaged at rates prescribed by the Commissioner of Indian Affairs or his authorized representative, such rates to be determined on the basis of sales of similar timber in the vicinity.

(c) Not to interfere with the sale or removal of timber from the land covered by this lease by contractors operating under an approved timber sales contract now in effect or which may be entered into during the period of this lease.

(d) To do all in its power to prevent and suppress forest, brush or grass fires on the leased land and in its vicinity, and to require its employees, contractors, subcontractors, and employees of contractors or subcontractors to do likewise. To place its employees, its contractors, subcontractors, and the employees of such contractors or subcontractors employed on the leased land at the disposal of any authorized officer of the Indian Service for the purpose of suppressing forest, brush or grass fires with the understanding that the payment for such services shall be made at rates to be determined by the Commissioner of Indian Affairs or his authorized representative, which rates shall not be less than the rates of pay prevailing in the vicinity for services of similar character: *Provided*, That no payment shall be made for services rendered in the suppression of fires for which the lessee, its employees, contractors or subcontractors, or the employees of such contractors or subcontractors are responsible.

(e) To pay for the loss of all timber ten inches or more in diameter occasioned by fires for which it, or any of its employees, its contractors, subcontractors, or the employees of such contractors or subcontractors are responsible for the start or spread, the assessment of the value of such damages to be determined by the Commissioner of Indian Affairs or his authorized representative on the basis of the value of such timber on sales of similar timber in the vicinity. Also, to pay liquidated damages of 10.00 dollars (\$10.00) per acre for all young timber less than ten (10) inches in diameter destroyed by such fires unless a lesser rate of damages shall be approved by the Commissioner of Indian Affairs, and to pay all costs for the suppression of fires for which it, or any of its employees, contractors or subcontractors, or the employees of such contractors or subcontractors are responsible.

(f) Not to burn rubbish, trash, or other inflammable materials except with the consent of the authorized representative of the Commissioner of Indian Affairs, and not to use explosives in such manner as to scatter inflammable materials on the surface of the land during the fire season, except as authorized to do so by such representative.

(5) DEVELOPMENT.—The land described herein shall not be held by the lessee for speculative purposes, but for mining the minerals specified. The lessee shall begin operations within 12 months from the effective date of this lease. The lessee shall spend annually in actual mining operations, development, and improvements upon the leased land, or for the benefit of the leased land, including the annual rental, not less than 11.00

Dollars (\$11.00) per acre. The lessee shall file with the Superintendent an itemized statement, in duplicate, within 20 days after each lease year, of the amount and character of the expenditures during the lease year. The statement must be certified under oath by the lessee or its agent. If the lessee fails to diligently develop or operate the mine, except when operation is interrupted by a strike, an act of God, or casualty not attributable to the lessee, this lease will be subject to cancellation. Whenever the Secretary of the Interior or his authorized representative considers the marketing facilities inadequate or the economic conditions unsatisfactory, he may authorize the suspension of operations for such time as he considers advisable, but this does not release the lessee from paying the advance annual rental. Payment of minimum royalty will not excuse complying with the provisions of this section.

Area Director STATEMENTS.—To keep an accurate record of the mining operations, showing the sales, prices, dates, purchasers, and the amount of minerals mined, the amount of minerals removed, and the gross receipts, and to furnish the Superintendent sworn monthly reports before the twenty-fifth of the succeeding month. All royalty and advance rental due shall be a lien on all implements, tools, movable machinery, and all other chattels used in the operation and upon all of the unsold minerals obtained under the lease. An audit of the accounts of the lessee shall be made annually or at any other time directed by the Superintendent by a certified public accountant approved by the Secretary of the Interior and at the expense of the lessee. The lessee shall furnish, through the Superintendent, a free copy of the audit to the Secretary of the Interior within 30 days after the completion of each audit.

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(7) REGULATIONS.—To abide by and conform to any and all regulations of the Secretary of the Interior now or hereafter in force relative to such leases including 25 CFR _____, and 30 CFR 231. Rate of royalty, the annual rental, or the term of the lease may not be changed by a future regulation without the written consent of the parties to this lease.

(8) ASSIGNMENT OF LEASE.—Not to assign this lease or any interest therein by an operating agreement including agreements providing for payment of overriding royalty or otherwise, nor to sublet any portion of the leased premises before restrictions are removed, except with the approval of the Secretary of the Interior. If this lease is divided by the assignment of an entire interest in any part of it, each part shall be considered a separate lease under all the terms and conditions of the original lease.

and No/100 **1,000.00** **One Thousand**
(9) BOND.—To furnish to the Superintendent an acceptable surety bond in the amount of _____ Dollars (\$_____). The right is reserved to the Secretary of the Interior or his authorized representative to increase the amount of bond above the sum named.

(10) LIQUOR.—The lessee further agrees that it will not use or permit to be used any part of said premises for any unlawful conduct or purpose whatsoever; that it will not use or permit to be used any part of said premises for the manufacture, sale, gift, transportation, drinking, or storage of intoxicating liquors or beverages in violation of existing laws relating thereto, and that any violation of this clause by the lessee or with its knowledge, shall render this lease voidable at the option of the Superintendent.

(11) INSPECTION.—The leased premises, producing operations, appurtenances, and all books and accounts of the lessee may be inspected by the lessor and its agents or any authorized representative of the Secretary of the Interior.

(12) DISPOSITION OF MINERALS AND SURFACE.—The lessor expressly reserves the right to lease, sell, or otherwise dispose of the oil and gas and the surface of the lands in this lease under existing law or laws hereafter enacted, such disposition to be subject to the right of the lessee to use as much of the surface as is necessary in the extraction and removal of the minerals from the leased land.

(13) SURRENDER AND TERMINATION.—The lessee may at any time terminate this lease or any part thereof upon the payment of all rentals, royalties, and other obligations due to the lessor, and the further sum of \$5, and in the event restrictions have not been removed, upon a showing satisfactory to the Secretary of the Interior or his authorized representative

that full provision has been made for the conservation and protection of the property, the lease to continue in full force and effect as to the lands not so surrendered. If this lease has been recorded, lessee shall file a recorded release with its application to the ~~Superintendent~~ **Area Director** for termination of this lease.

(14) RELINQUISHMENT OF SUPERVISION BY THE SECRETARY OF THE INTERIOR.—Should the Secretary of the Interior, at any time during the life of this instrument, relinquish supervision as to all or part of the acreage covered hereby, the relinquishment does not bind the lessee until the Secretary has given 30 days' written notice. Until the requirements are fulfilled, lessee shall continue to make all payments due under subsections 1 and 2. After notice of relinquishment has been received by lessee, this lease is subject to the following further conditions:

(a) All rentals and royalties accruing shall be paid directly to lessor or its successors in title.

(b) If at the time supervision is relinquished by the Secretary of the Interior as to all lands under this lease, and lessee has made all payments due under the lease and has fully performed all obligations on its part to be performed up to the time of such relinquishment, then the bond given to secure the performance of the lease and on file in the Indian Office shall be of no further force or effect.

(15) WATER WELLS.—The lessee may, at its own expense, drill and equip water wells on the leased premises and agrees that all wells will be left intact and properly cased at the termination of the lease by expiration of its term or otherwise. Lessee shall have the right to remove all mechanical pumping equipment installed by it at any wells.

(16). DAMAGES.—The lessee shall conduct all operations authorized in this lease with due regard to preventing unnecessary damages to vegetation, timber, soil, roads, bridges, cattle-guards, fences, and other improvements, including construction, operation, or maintenance of any of the facilities on or connected with this lease which causes damage to the watershed or pollution of the water resources. On termination of operations under this lease, the lessee shall make provisions for the conservation, repair, and protection of the property and leave all of the areas on which the lessee has worked in a condition that will not be hazardous to life or limb, and will be to the satisfaction of the Superintendent.

(17) LIABILITY FOR DAMAGE.—The lessee is liable for any and all damages resulting from its operations under this lease; including injury to the lessor, the tenants, licenses and surface owners, and for any and all damage to, or destruction of, all property, caused by the lessee's operations hereunder. The lessee agrees to save and hold the lessor and the United States, its employees, licensees, and the surface owner or their tenants harmless from all suits for injury or claims for damages to persons and property resulting from the lessee's operations under this lease.

(18) ROADS.—The lessee may use existing roads, if any, on the land and may construct, and maintain, at its own expense, any additional roads across lessor's lands that are necessary in carrying on the actual mining, prospecting, and exploration work after the location of these roads has been approved in writing by the ~~Superintendent of the Navajo Area~~ **Area Director Navajo Area** Agency. The public obtains no rights to these roads, and upon termination of this lease or if at any time it becomes unnecessary for lessee to use the road for conducting the operations authorized under this lease, the right to use the road shall thereupon cease and all the rights shall revert in lessor in accordance with law. The lessee shall hold the lessor and the United States harmless and indemnify them against any loss or damage that might result from the negligent construction or maintenance by lessee of the road. Installations made in connection with roads by the lessee may be removed by the lessee.

(19) INDIAN LABOR.—The lessee shall employ Indians, giving priority to lessor and other members of its tribe in all positions for which they are qualified and available and shall pay the prevailing wage rates for similar services in the area. The lessee shall do everything practicable to employ qualified Indians, giving priority to the lessor and other members of its tribe and their equipment in the hauling of all materials under this lease, insofar as the lessee does not use its own equipment for that purpose. Lessee agrees to make special efforts to work Indians, giving priority to the lessor and other members of its tribe into skilled, technical, and other higher jobs in connection with the lessee's operations under this lease.

(20) INSURANCE, SOCIAL SECURITY, TAXES, ETC.—The lessee agrees to carry such insurance covering all persons working in, on, or in connection with the leased premises for the lessee as will fully comply with the provisions of the statutes of the State of **New Mexico** covering workmen's compensation and occupational disease, as are now in force or as may be amended. Further, the lessee agrees to comply with all the terms and provisions of all applicable laws of the State of **New Mexico**, and of the United States of America as now exist or as may be amended, pertaining to Social Security, unemployment, compensation, wages, hours, and conditions of labor; and to indemnify and hold the lessor and the United States harmless from payment of any damages occasioned by the lessee's failure to comply with these laws. The lessee shall pay all taxes lawfully levied or assessed on the sale, severance, production, extraction, or removal of any of the minerals covered by this lease.

(21) HEIRS AND SUCCESSORS IN INTEREST.—It is further covenanted and agreed that each obligation under this lease shall extend to and be binding upon, and every benefit hereof shall inure to, the heirs, executors, administrators, successors of, or assigns of the parties to this lease.

(22) GOVERNMENT EMPLOYEES CANNOT ACQUIRE LEASE.—No lease, assignment thereof, or interest therein will be approved to any employee or employees of the United States Government whether connected with the Indian Service or otherwise, and no employee of the Interior Department shall be permitted to acquire any interest in such leases by ownership of stock in corporations having leases or in any other manner.

(23) CANCELLATION AND FORFEITURE.—When, in the opinion of the Secretary of the Interior or his authorized representative, there has been a violation of any of the terms or conditions of this lease before restrictions are removed, the Secretary of the Interior or his authorized representative has the right at any time after 30 days' notice to the lessee, specifying the terms and conditions violated, and after a hearing, if the lessee shall so request within 30 days of receipt of notice, to declare this lease void, and the lessor may then take immediate possession of the lands. After restrictions are removed, the lessor may use any available remedy in law or equity for breach of this contract by the lessee.

IN WITNESS WHEREOF, the said parties have hereunto subscribed their names and affixed their seals on the day and year first above mentioned.

TWO WITNESSES TO EXECUTION BY LESSOR:

Datherine Arnesi
P. O. Window Rock, Arizona
Louise Damon
P. O. Window Rock, Ariz.

_____ [SEAL]

THE NAVAJO TRIBE OF INDIANS

By [Signature] [SEAL]
Chairman, Navajo Tribal Council

RAY WILLIAMS

TWO WITNESSES TO EXECUTION BY LESSEE:

Louise J. Jynn
P. O. Box 183, Window Rock, Ariz.
Thomas Lynch
P. O. Window Rock, Ariz.

By Ray Williams [SEAL]

Attest: _____

State of _____ } ss:
County of _____ }

FEB 20 1969
APPROVED _____
Val McBrown
Acting Assistant AREA DIRECTOR

ACKNOWLEDGMENT OF LESSOR

Before me, a notary public, on this _____ day of _____, 19____, personally appeared _____, to me known to be the identical person who executed the within and foregoing lease, and acknowledged to me that _____ executed the same as free and voluntary act and deed for the uses and purposes therein set forth.

Notary Public.

My commission expires _____



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR

Real Property Mgmt.
Minerals

BUREAU OF INDIAN AFFAIRS
Navajo Area Office
Window Rock, Arizona 86515

February 23, 1969

Mr. Ray Williams
Littlewater, New Mexico 87420

Dear Mr. Williams:

Enclosed is your copy of Navajo Tribal Uranium Mining Lease, Contract No. ~~NSA-C-14-20-2304~~, which was approved February 20, 1969. This lease has been converted from Mining Permit No. 616.

Our records show that annual rental was paid for the period ending October 23, 1968 which is the anniversary date of the permit. It is necessary that rental in the amount of \$18.24, be paid for the period October 23, 1968 to February 20, 1969, which is the date the permit was converted to a lease.

In addition to the above it is also necessary that we have your first years rent on the lease for the period February 20, 1969 to February 20, 1970. Hereafter, annual rental must be paid on or before the anniversary date of the lease.

Please submit your check in the amount of \$74.94 made payable to the Bureau of Indian Affairs to cover the above mentioned periods for the mining permit and the lease.

Your cooperation will be appreciated.

Sincerely yours,

/s/ WILSON BARBER, JR.

Realty Specialist

Enclosure

cc:

UEGS, Carlisbad, New Mexico (w/copy of lease)
Tribal Minerals Department (w/copy of lease) ✓

RECEIVED

FEB 26 1969

THE NAVAJO TRIBE
MINERALS DEPT.

PERCENTAGE ROYALTY SCHEDULE
For Uranium and other Minerals associated therewith

MINE VALUE PER DRY TON	ROYALTY PERCENTAGE OF MINE VALUE PER DRY TON
\$ 0.01 to \$ 7.50	2½%
\$ 7.50 to \$ 14.00	5%
\$ 14.00 to \$ 20.01	11%
\$ 20.01 to \$ 30.01	12%
\$ 30.01 to \$ 40.01	13%
\$ 40.01 to \$ 50.01	14%
\$ 50.01 to \$ 60.01	15%
\$ 60.01 to \$ 70.01	16%
\$ 70.01 to \$ 80.01	17%
\$ 80.01 to \$ 90.01	18%
\$ 90.01 to \$ 100.01	19%
\$ 100.01 or more	20%

"MINE VALUE PER DRY TON," wherever used herein is hereby defined as the dollar value per dry ton of crude ores at the mine as paid for by the Atomic Energy Commission or other government agency before allowance for transportation and development; however, if the government at any time hereafter does not establish and pay for said ores on a fixed or schedule dollar value per dry ton of crude ores at the mine, or said ores contain saleable minerals, some, or all of which are disposed of to a custom treatment plant or smelter for treatment and sale, then mine value per dry ton shall be the gross value per dry ton of said crude ore as paid for by the Atomic Energy Commission or other Government authorized agency mill or other buyer, less any allowances or reimbursements for the following specific items: (1) transportation of ores; (2) allowances for exploration for, or development of ores; and (3) treatment or beneficiation of ores; which specific items shall in such event be deducted from the gross sales price received from the metal content of said ores by the seller before said percentage royalty is calculated and paid. Such payments shall be made on or before the twenty-fifth (25) day of the month next following receipt by lessee of payment for said ores together with a statement of the mine value of said ores and the amount of royalty due on each lot shipped and sold.

Wherever used in this document the word "ores" shall mean only the ore of uranium and other minerals associated therewith; and the words "ores mined and sold" or similar words shall be construed and understood to mean ores mined and removed from the demised premises for the purpose of milling, treatment, stockpiling or other disposition, and not that ores must be sold as such.

In addition to the above royalty payments there shall be paid to the Area Director for the use and benefit of the lessor 10% of any bonus paid by the United States Atomic Energy Commission for the production of ore from the initial production of

ROYALTIES for all metallic minerals other than uranium and minerals associated therewith:

The lessee shall pay to the Area Director for the use and benefit of the Navajo Tribe a royalty of ten per cent (10%) of the gross value of the ore as shown by the smelter returns. All royalties accruing for any month shall be due and payable before the 25th day of the month succeeding, together with a statement of the mine value of said ores and the amount of royalty due on each lot shipped and sold.

OVERRIDING ROYALTIES: In addition, the lessee shall pay to _____

Ernest Johnson

royalties on uranium and minerals associated therewith at the following rates:

1. On ore having a mine value per dry ton of \$13.99 or less, 1% of the mine value per dry ton.
2. On ore having a mine value per dry ton of more than \$13.99, and not more than \$30.00, 2% of the mine value per dry ton.
3. On ore having a mine value per dry ton of more than \$30.00 and not more than \$60.00, 3% of the mine value per dry ton.
4. On ore having a mine value per dry ton of more than \$60.00 and not more than \$80.00, 4% of the mine value per dry ton.
5. On ore having a mine value per dry ton of more than \$80.00, 5% of the mine value per dry ton.

ROYALTIES for all metallic minerals other than uranium and minerals associated therewith:

The lessee shall pay to _____

Ernest Johnson

a royalty of One (1%) per cent of the gross value of the ore as shown by the smelter returns.

February 17, 1969

MEMORANDUM

To: Raymond Nakai, Chairman
Navajo Tribal Council

From: Perry K. Hurlbut, Supervisor
Minerals Department

Subject: Conversion of Mining Permit No. 616 to a lease -
Ray Williams

Attached are documents with four copies relating to a conversion of Mining Permit No. 616 to a lease.

This conversion has been reviewed by U. S. Geological Survey, Bureau of Indian Affairs, Branch of Real Property Management, and Tribal Minerals Department.

Your approval is recommended.

/S/ PERRY K. HURLBUT

Perry K. Hurlbut

Attachments

cc:
file
chrono



IN REPLY REFER TO:

UNITED STATES
DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY

P. O. BOX 1716
CARLSBAD, NEW MEXICO 88220

August 15, 1968

MINE INSPECTION REPORT
SANTOSTEE MINE
NAVAJO RESERVATION
SAN JUAN COUNTY, NEW MEXICO

URANIUM LEASE
14-20-0603-9996

by

Howard B. Nickelson
Mining Engineer

U. S. DEPARTMENT OF THE INTERIOR
GEOLOGICAL SURVEY
BRANCH OF MINING OPERATIONS
CONSERVATION DIVISION

Mr. Ray Williams, operator, was contacted on August 1, 1968, and he discussed plans of attempting to leach the low grade ore from the mine and dump. This plan is still in the planning stage as yet. The plan is to leach batches of about 100 tons and haul the acid liquor to the Union Carbide plant in Grand Junction. The company will pay for the acid in the liquor and the uranium values. From tests run, Mr. Williams estimates about 114 pounds of liquor per ton of ore.

If this process is successful the life of the property can be greatly extended because considerable low grade material is available.

The property was not operating because of the heavy rains during the week.

Howard B. Nickelson
Howard B. Nickelson
Mining Engineer

Orig. to: Director, Navajo Area Office
cc: Comm., Office of Indian Affairs
: Navajo Tribal Mining Engineer ✓
: Chief, Branch of Mining Operations
: Bureau of Mines, Denver
: Files

RECEIVED

AUG 19 '68

THE NAVAJO TRIBE
MINERALS DEPARTMENT

Real Property Dept.
Minerals

Havajo Area Office
Window Rock, Arizona 86513

February 18, 1967

Mr. Ray Williams
P. O. Box 4536
Little Water, New Mexico

Dear Mr. Williams:

There is enclosed an approved copy of assignment of Havajo Tribal Mining Permit No. 613.

The assignment was approved February 13, 1967.

Sincerely yours,

/s/ E. EDWARD FRUK

ASSISTANT

Area Real Property
Management Officer

Enclosure

cc:

____Tribal Minerals Dept.



UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF INDIAN AFFAIRS

IN REPLY REFER TO:

Area Real Property Mgmt.
Minerals

Navajo Area Office
Window Rock, Arizona 86515

January 10, 1967

Mr. Ray Williams
P. O. Box 536
Little Water, New Mexico 87420

Dear Mr. Williams:

Enclosed is your file copy of Navajo Tribal Uranium Mining Lease, Contract No. 14-20-0603-9996, approved January 6, 1967, effective November 15, 1966 for a term of ten (10) years.

The original and one copy of the Lease have been retained for our files. The Rider submitted on Bond No. 77 85 949 in favor of Ray Williams has been attached to the bond.

Sincerely yours,

/s/ E. EDWARD FRAX

Assistant Area Real Property
Management Officer

Enclosure

cc:

U.S.G.S., Carlsbad, New Mex. w/copy of Lease
U.S.A.E.C., Grand Junction, Colo.
— Minerals Department, Navajo Tribe

Minerals
**Real Property Mgmt.
Minerals**

**Navajo Area Office
Window Rock, Arizona 86515**

December 12, 1966

**Mr. Ray L. Williams
P. O. Box #536
Little Water, New Mexico 87420**

Dear Mr. Williams:

On November 17, 1966 we wrote you a letter requesting a certificate from your bonding agent showing a change in the date given in your Bond No. 77 85 949. We have not received the certificate.

If you have been conducting mining operations subsequent to November 15, 1966, you are in trespass because the lease has not been approved.

Sincerely yours,

/s/ JOHN J. BOKAN

**Area Real Property
Management Officer**

TLynch/ljt:12-12-66

**cc:
Minerals Dept.
Real Prop. Mgmt.
Chrono
MEF**

**RECEIVED
DEC 13 1966**

**THE NAVAJO TRIBE
MINERALS DEPT.**

18 November 1965

Telephone No. 871-4171
Extension No. 12

Mr. Ray Williams
Box 536
Little Water, New Mexico

Dear Mr. Williams:

The acreage you marked on the map calculates
to be 54.7 acres, therefore ; the bond would be \$1,000.

Sincerely yours,

NAVAJO TRIBAL MINING DEPT.

C. V. Collins
Mining Engineer

Enclosure

CVC/fmg

cc: files
chrono

11-7-65

Bureau of Indian Affairs
Mining Dept.

Hindew Rock, Arizona

Dear Mr. Collins;

I am returning the signed
drilling permits as to our conversation
November 15, 1965 and would
appreciate having them renewed.
I also have the Grising permits
signed and would like to know
if it will be necessary to have
the bond enlarged. I would
like an additional 60 & 80 acres
from Claim No. 4.

yours truly.
Ray Williams

RECEIVED
THE NAVAJO TRIBE

NOV 18 1965

MINING DEPT.

Realty

Navajo Agency
Window Rock, Arizona 86515

Mr. Ray Lee Williams
PO Box 536
Little Water, New Mexico

MAY 22 1964

Dear Sir:

Enclosed herewith is an approved copy of your assignment on Navajo Tribal Mining Permit No. 5th approved on May 18, 1964. The \$1,000 surety bond dated March 5, 1964 showing Fidelity and Deposit Company of Maryland, Baltimore, Maryland, numbered 77 85 949 filed with the assignment is also approved on May 18, 1964.

A copy of this letter together with an approved copy of the assignment document is being mailed to Union Carbide Nuclear Company in Grand Junction, Colorado, for their information.

Sincerely yours,

Morgan T. Haily, Jr.
Agency Realty Officer

Enclosure

Union Carbide Nuclear Co.,
Box 1049, Grand Junction, Colo.
cc: USGS, Carlsbad w/cy of assignment
Tribal Mining Dept.

Realty
chronos
M/T

Tlynch: 5-20-64

RECEIVED
THE NAVAJO TRIBE

JUN 4 1964

MINING DEPT.

March 9, 1964

Mr. Ray Williams
Box 536
Little Water, New Mexico

Dear Mr. Williams:

This office has received your application for an Assignment on Mining Permit No. 584, check for filing fee and the bond. Your application can not be processed until we receive from Mr. Adair his copy of the Assignment and a letter requesting cancellation accompanied with a check for \$1.00 for cancellation fee.

Sincerely yours,

NAVAJO TRIBAL MINING DEPT.

C. V. Collins
Mining Engr.

CVC:fag

cc: Mr. Ivor Adair, P.O. Box 392, Moab, Utah
files
chrono

3-6-64

C. V. Collins
Mining Dept.
Window Rock, Ariz.
Dear Sir.

Enclosed is the card for the Mining
Lease. Please fill in the date on the
lease card & notify us of this date so in
turn we can notify the Insurance Co.

Has Doc sent in his copy of the
Assignment lease papers? We have
been trying to locate him but have not
been able to.

If there is anything else we need
please let us know.

Yours truly

Mrs. Ray Williams

RECEIVED
THE NAVAJO TRIBE

MAR 9 1964

MINING DEPT.

Jan. 28, 1964

E. V. Collins

Navajo Tribal Mining Dept.

P. O. Box 146

Window Rock, Arizona

Dear Mrs. Collins

Enclosed is a letter from Mr. Adams
of \$ 1.00 cancellation fee. Also ten
dollar filling fee for Ray Williams
He would like you to send us
the description of the property & fresh
on the band. As soon as we have
this we can send you the band
& the other papers.

Thank you
Mrs. Ray Williams

RECEIVED
THE NAVAJO TRIBE

JAN 29 1964

MINING DEPT.

Jan 27, 1964

Mr. C. V. Collins
Mining Engineer
Kinslow Lock, Arizona

Dear Sir;

It seems as though we won't be able to get the papers from Nav. by the 28th of January. In this event please use the enclosed check to pay the acreage you for the year. As soon as we can take care of the rest of the papers we will then send them to you.

Yours truly
Mrs. Lay Williams

RECEIVED
THE NAVAJO TRIBE

JAN 27 1964

MINING DEPT.

January 13, 1964

Mr. Ray Williams
Box 536
Littlewater, New Mexico

Dear Mr. Williams:

Your drilling and exploration permits are still being held by this office since Clyde Fritz has permits on these claims until January 24, 1964. We have not seen Mr. Fritz since he had obtained these permits and do not know what his plans are, but will process your permits after the 24th, if Mr. Fritz does not have any further plans for these properties.

We must hold your application for an assignment on Enos Johnson No. 1 until Mr. Adair cancels the Assignment now held by A & B Mining Company. Mr. Adair, if he plans to cancel his Assignment, must mail back his copy of the Assignment with a \$1.00 cancellation fee along with a letter requesting cancellation.

If Mr. Adair does cancel his assignment, before we can process your application, we must have a \$10.00 filing fee and a bond in the amount of \$1,000. We are enclosing a bond form and Power of Attorney for the bonding company and also your check which is made out to the Navajo Tribe. Please make out all checks payable to the Bureau of Indian Affairs.

Sincerely yours,

NAVAJO TRIBAL MINING DEPT.

C. V. Collins
Mining Engr.

Enclosure

CVC:img

cc: files
chron

October 10, 1963

C. V. Collins
Mining Department
Window Rock, Arizona

Mr. Collins:

Enclosed is a Drilling Permit for Enos Johnson claim no.4. In the event that Mr Erickson does't get anything worked on the claim I would like first chance at it, as it joins onto the bottom of claim no. 1 and there is a possibilty of mining through on to it. The boundry of this claim coves clear accross the hill on both sides and will prevent me from going down any farther than the boundry line.

I was under the impression that Mr. Erickson was just going to take the no. 4 claim and do some drilling on it and I was going to have him drill some for me on the inside corners of 3-5- and 6. I was also going to try to get another allotment on them. If I couldn't get the allotment on them I would try to get one on the Natina Nez claims.

I left the assignment on claim no. 1 with Enos to take in and he and his wife sign before a notary he assured me he would but as yet I have not heard from him. I will sure be glad to get this matter taken care of.

You had better take leave of your office and come out and see us.

Yours truly

Ray Williams

Ray Williams

RECEIVED
THE NAVAJO TRIBE

OCT 14 1963

MINING DEPT.

DESCRIPTION OF MISS JOHNSON MINING CLAIMS 1 - 6

Located in Land Management District 12, Navajo Indian Reservation, more particularly described as follows:

CLAIM NO. 1: Commencing at Corner 1, from which point Sanctus Ray School bears N 80° 30' E., approximately 4 miles; thence N 47° 30' W., 3170 ft. to Corner 2; thence S 65° 30' W., 1380 ft. to Corner 3; thence S 8° 00' E., 1323 ft. to Corner 4; thence S 47° 00' E., 410 ft. to Corner 5; thence N 85° 55' E., 3090 ft. to Corner 1, the point of beginning. This parcel contains 115.8 acres, more or less.

CLAIM NO. 2: Commencing at Corner 1, which corner is common to Corner 1 of Claim No. 1; thence N 72° 16' E., 3016 ft. to Corner 2; thence N 4° 48' E., 1662 ft. to Corner 3; thence S 72° 16' W., 4523 ft. to Corner 4; thence S 47° 30' E., 1770 ft. to Corner 1, the point of beginning. This parcel contains 132.0 acres, more or less.

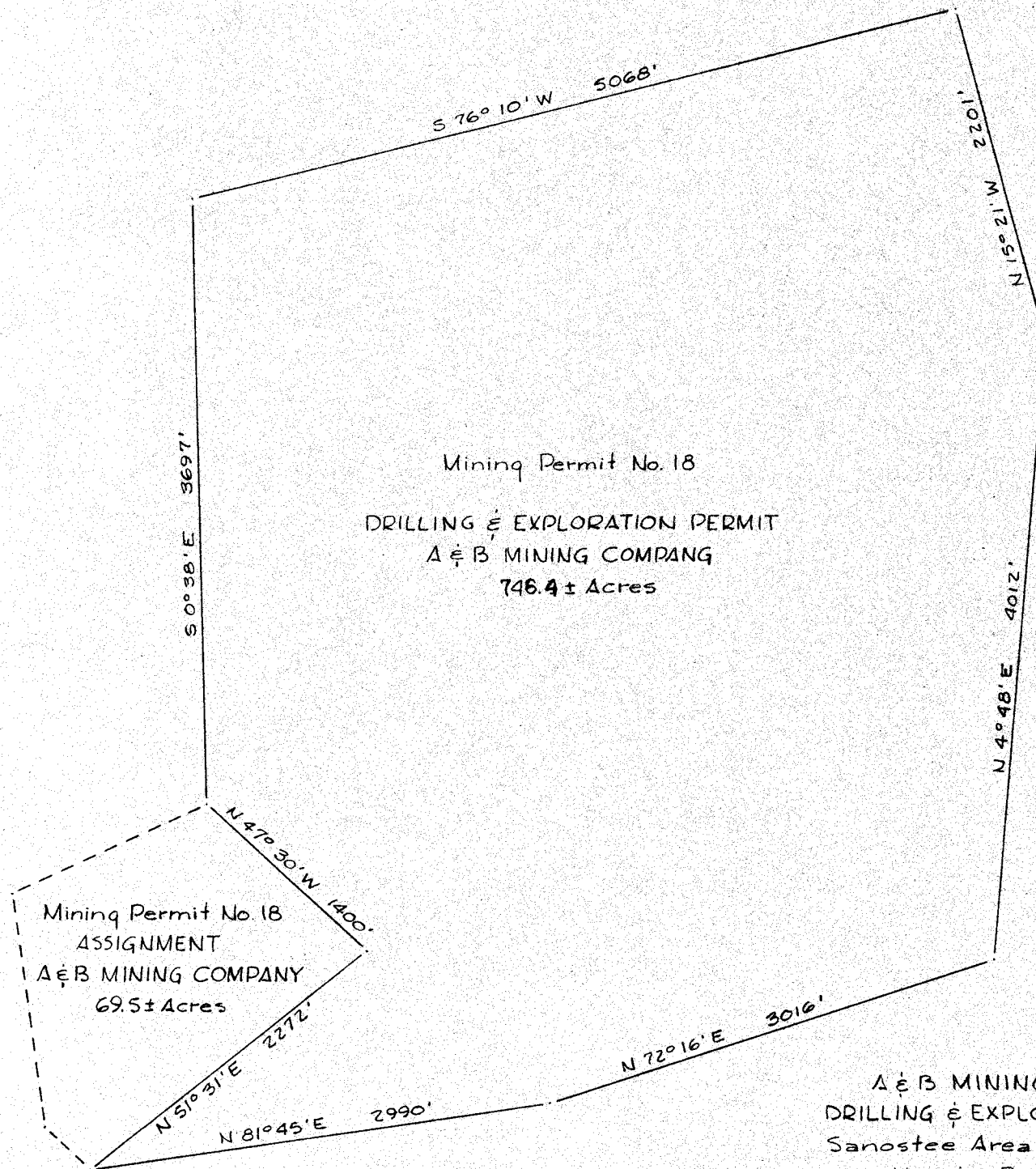
CLAIM NO. 3: Commencing at Corner 1, which corner is common to Corner 3 of Claim No. 2; thence N 4° 48' E., 2350 ft. to Corner 2; thence S 72° 16' W., 3190 ft. to Corner 3; thence S 0° 38' W., 2285 ft. to Corner 4; thence N 72° 16' E., 3020 ft. to Corner 1, the point of beginning. This parcel contains 155.0 acres, more or less.

CLAIM NO. 4: Commencing at Corner 1, which corner is common to Corner 4 of Claim No. 3; thence N 0° 38' E., 2285 ft. to Corner 2; which corner is common to Corner 3 of Claim No. 3; thence S 72° 16' W., 2568 ft. to Corner 3; thence S 0° 38' W., 1000 ft. to Corner 4, which corner is common to Corner 2 of Claim No. 1; thence S 47° 30' E., 1400 ft. to Corner 5; thence N 72° 16' E., 1505 ft. to Corner 1, the point of beginning. This parcel contains 115.3 acres, more or less.

CLAIM NO. 5: Commencing at Corner 1, which corner is common to Corner 2 of Claim No. 3; thence N 15° 21' W., 2201 ft. to Corner 2; thence S 76° 10' W., 2500 ft. to Corner 3; thence S 0° 38' W., 2500 ft. to Corner 4, which corner is common to Corner 3 of Claim No. 3 and Corner 2 of Claim No. 4; thence N 72° 16' E., 3190 ft. to Corner 1, the point of beginning. This parcel contains 150.6 acres, more or less.

CLAIM NO. 6: Commencing at Corner 1, which corner is common to Corner 3 of Claim No. 3, Corner 2 of Claim No. 4 and Corner 4 of Claim No. 5; thence N 0° 38' E., 2500 ft. to Corner 2, which corner is common to Corner 3 of Claim No. 5; thence S 76° 10' W., 2568 ft. to Corner 3; thence S 0° 38' W., 2690 ft. to Corner 4, which corner is common to Corner 3 of Claim No. 4; thence N 72° 16' E., 2568 ft. to Corner 1, the point of beginning. This parcel contains 147.2 acres, more or less.

CLAIMS NOS. 1 to 6 contains a total of 815.9 acres, more or less.

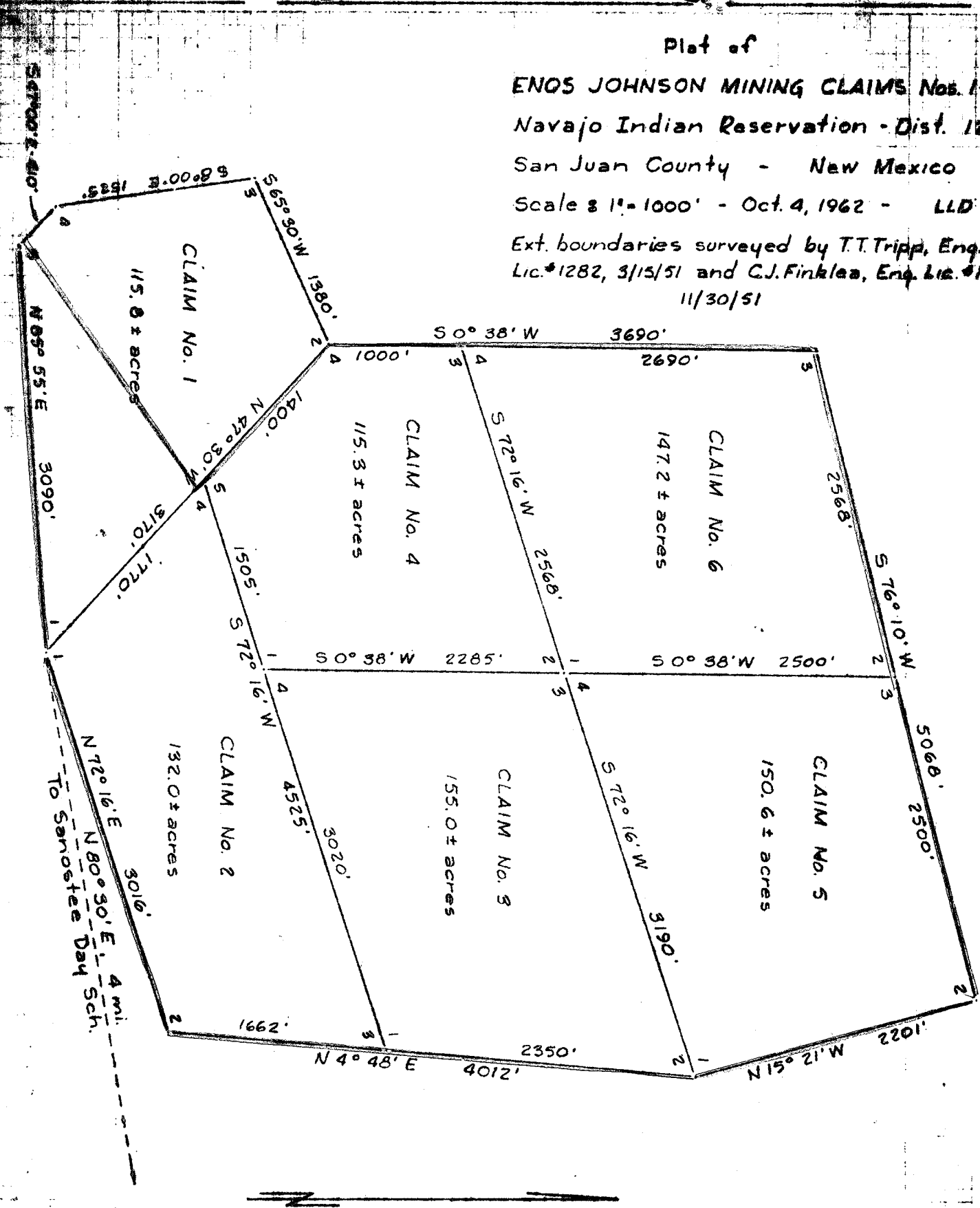


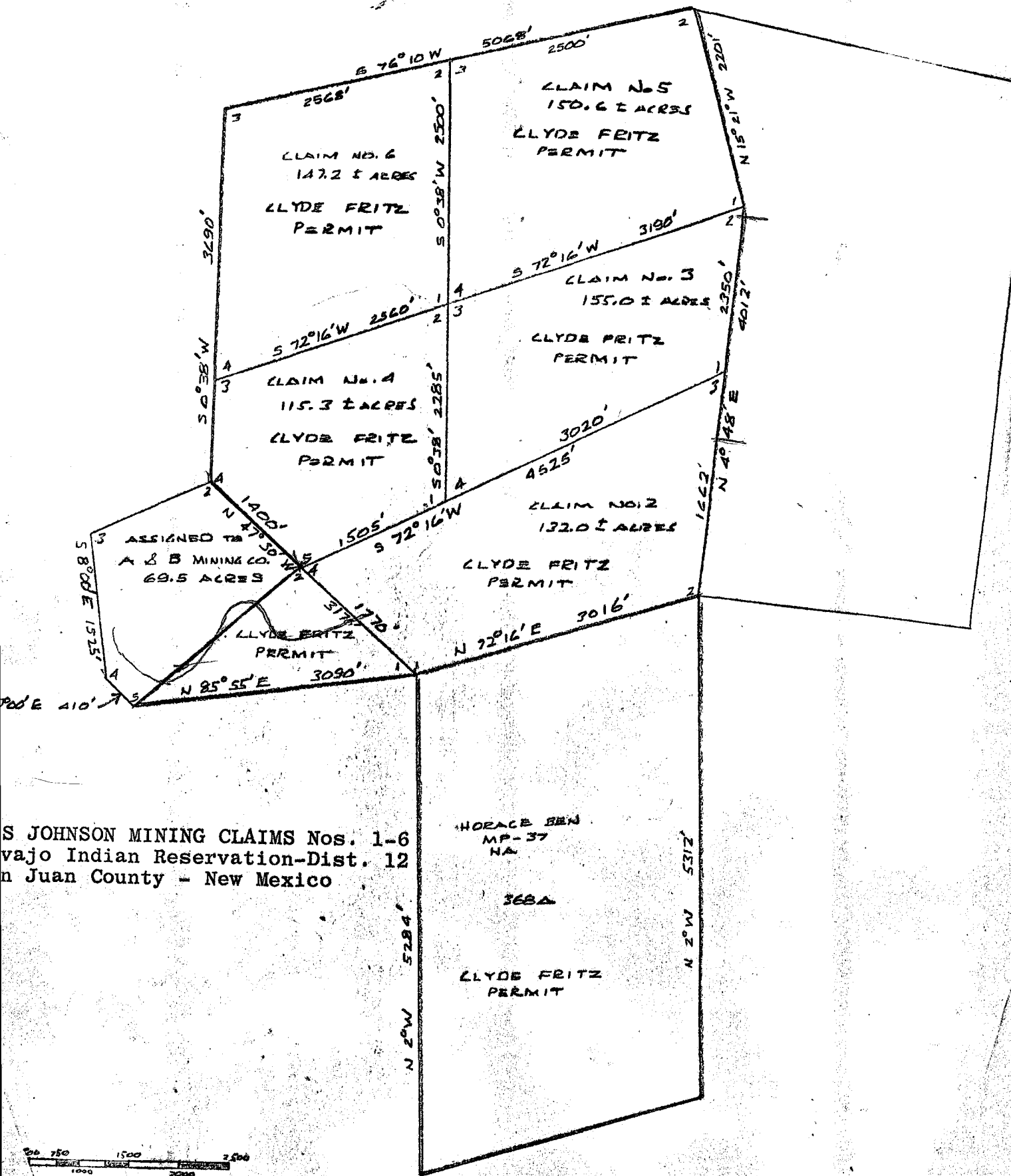
Mining Permit No. 18
DRILLING & EXPLORATION PERMIT
A & B MINING COMPANY
746.4 ± Acres

Mining Permit No. 18
ASSIGNMENT
A & B MINING COMPANY
69.5 ± Acres

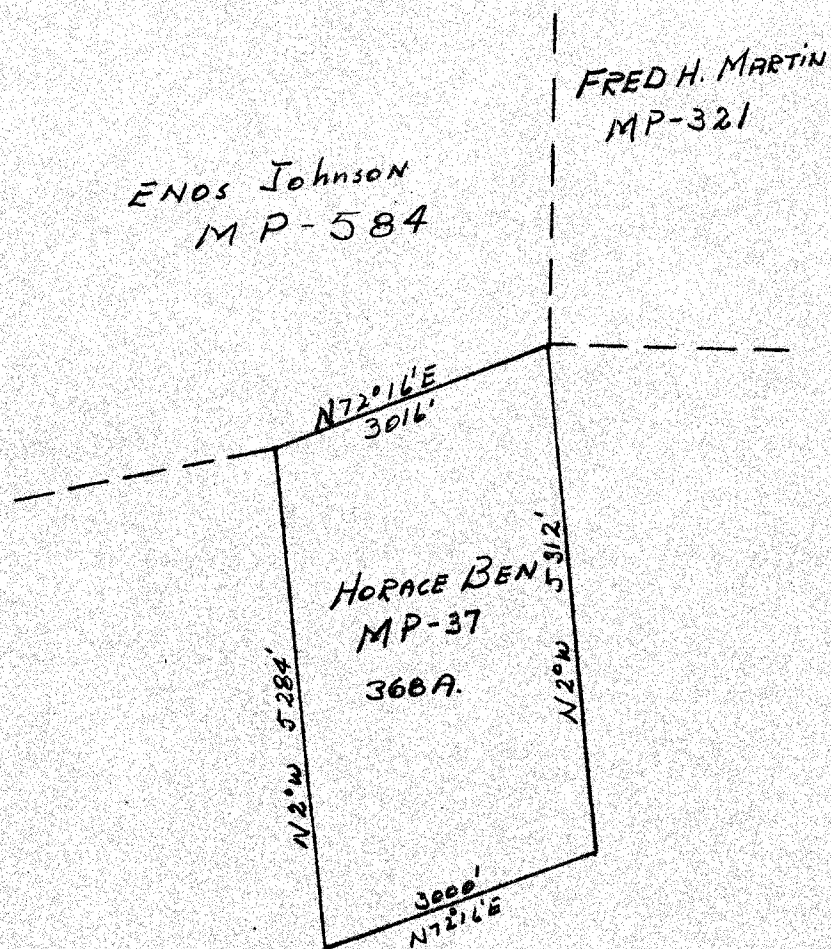
A & B MINING COMPANY
DRILLING & EXPLORATION PERMIT
Sanostee Area - New Mexico
Navajo Reservation

Plot of
ENOS JOHNSON MINING CLAIMS Nos. 1-6
Navajo Indian Reservation - Dist. 12
San Juan County - New Mexico
Scale: 1" = 1000' - Oct. 4, 1962 - LLD
Ext. boundaries surveyed by T.T. Tripp, Eng.
Lic. #1282, 3/15/51 and C.J. Finklea, Eng. Lic. #1202,
11/30/51





S JOHNSON MINING CLAIMS Nos. 1-6
Navajo Indian Reservation-Dist. 12
San Juan County - New Mexico



Drilling & Exploration
Permit

Ray Williams
District 12
San Juan Co.
New Mex.

11-13-65

Economic Development
Real Prop. Mgmt.

JUL 13 1965

Mr. Ray Lee Williams
P. O. Box 536
Littlewater, New Mexico

Dear Mr. Williams:

Enclosed is an approved copy of your Drilling and Exploration Permit, approved on the date shown therein for a period of 120 days.

You are advised that the Antiquities Act of June 8, 1906 (34 Stat. L., 225) forbids the disturbance, destruction or removal of any specimens of archeological interest and if you should locate any such artifacts, you should immediately notify the Subagency Superintendent under whose jurisdiction the site is located, or the General Superintendent, Navajo Agency, Window Rock, Arizona.

Sincerely yours,

(Sgd.) Russel E. Kipore

Assistant General Superintendent
(Economic Development)

Enclosure

cc:

✓ Tribal Mining Dept. W/copy of D&E Permit.

THE NAVAJO TRIBE

DRILLING AND EXPLORATION PERMIT

TO: Ray Lee Williams
P. O. Box 536
Littlewater, New Mexico

1. Pursuant to authority contained in Advisory Committee Resolution No. ACD-80-53 dated December 18, 1953 and No. ACO-75-57 dated October 8, 1957, you are hereby granted an exclusive drilling and exploration permit for a period of one hundred twenty (120) days upon Navajo Tribal lands described as follows:

Navajo Tribal Mining Permit No. 37 - 368 acres

(See attached plat)

2. You are authorized to do or perform any or all of the following operations under this permit; (a) Diamond drilling; (b) Wagon drilling; (c) Open cut; (d) Tunneling; (e) Pit.

3. No surface geology is authorized hereunder.

4. You are not permitted under this permit to sell ore, but you may remove small quantities for assay purposes only.

5. You may drill and explore lands already held under mining permits in the above described area provided you are given written permission to do so by the holder of the permit, subject to approval by the Navajo Tribe and the Navajo Agency.

6. You are required to pay individual Navajo Indians who may have allocated or assigned use rights for all damage caused by you which affects the surface of the lands involved as determined by the Secretary of the Interior or his authorized representatives.

7. No renewal or extension of this permit may be granted, but you may be granted a new drilling and exploration permit upon any of the lands in this permit, at the discretion of the Tribal Mining Engineer.

8. During the term of this permit you are granted the exclusive right to apply for and be granted a mining lease upon the lands above described, subject to acreage limitations and other lawful regulations. You may also apply for and be granted assignments of mining permits on any of such lands subject to existing regulations.

9. You are required to furnish the Navajo Tribe, at the office of the Tribal Mining Engineer, Window Rock, Arizona, footage drilled each thirty (30) days and all information obtained from drilling and exploration during the term of this permit at termination of one hundred twenty (120) days period.

Nelson Harrison
ACTING Chairman, Navajo Tribal Council

Roy Williams
Permittee

APPROVED DATE: JUL 13 1965

B. B. Kilgore
ACTING General Superintendent, Navajo Agency

XERO
COPY

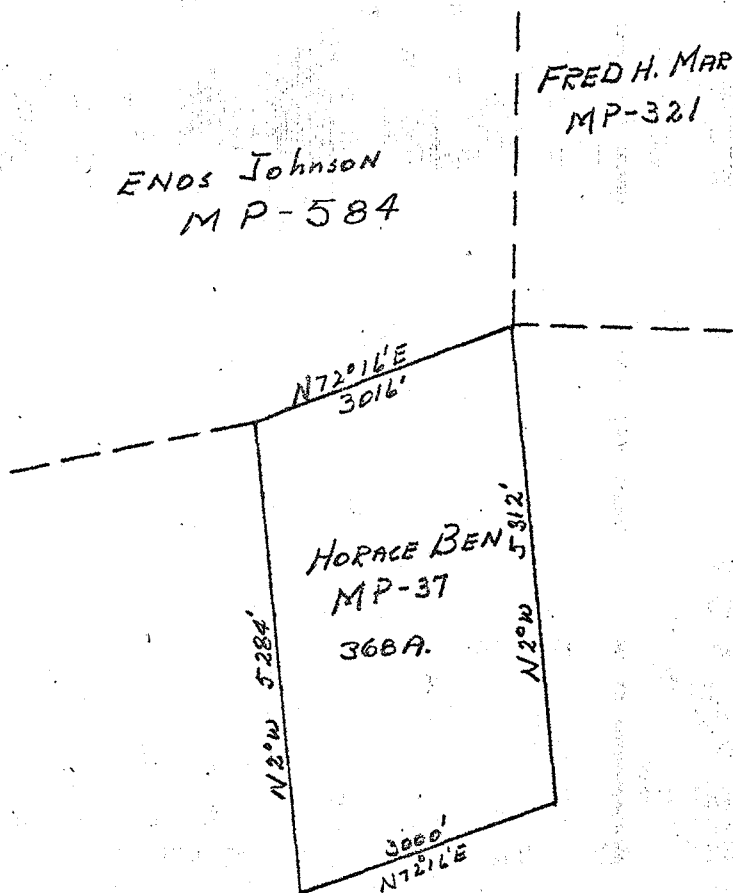
XERO
COPY

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XERO
COPY

ENOS Johnson
MP-584

FRED H. MARTIN
MP-321



Drilling & Exploration
Permit

Ray Williams
District 12
San Juan Co.
New Mex.

JUL 21 1965

U. S. Department of Interior
Bureau of Indian Affairs
Navajo Agency
Window Rock, Arizona 86515

Economic Development
Real Prop. Mgmt.

86515

9961 T8 788

JUL 21 1965

Mr. Ray Williams
P. O. Box 536
Littlewater, New Mexico

Dear Mr. Williams:

Enclosed is an approved copy of your Drilling and Exploration Permit for minerals other than oil and gas, approved on the date shown therein for a period of 120 days.

You are advised that the Antiquities Act of June 8, 1906 (34 Stat. L., 225) forbids the disturbance, destruction or removal of any specimens of archeological interest, and if you should locate any such artifacts, you should immediately notify the Subagency Superintendent under whose jurisdiction the site is located or the General Superintendent, Navajo Agency, Window Rock, Arizona.

Sincerely yours,

(Sgd.) Russel B. Kilgore

Assistant General Superintendent
(Economic Development)

Enclosure

cc:

✓ Tribal Mining Dept. - W/copy D&E Permit.

THE NAVAJO TRIBE

DRILLING AND EXPLORATION PERMIT

TO: Ray Williams
Box 536
Little Water, New Mexico

1. Pursuant to authority contained in Advisory Committee Resolution No. ACD-80-53 dated December 18, 1953 and No. ACO-75-57 dated October 8, 1957, you are hereby granted an exclusive drilling and exploration permit for a period of one hundred twenty (120) days upon Navajo Tribal lands described as follows:

Navajo Tribal Mining Permit No. 584 - 815.9 acres

Excluding 69.5 acres under Assignment- 69.5 acres

Total acreage 746.4 acres

2. You are authorized to do or perform any or all of the following operations under this permit; (a) Diamond drilling; (b) Wagon drilling; (c) Open cut; (d) Tunneling; (e) Pit.

3. No surface geology is authorized hereunder.

4. You are not permitted under this permit to sell ore, but you may remove small quantities for assay purposes only.

5. You may drill and explore lands already held under mining permits in the above described area provided you are given written permission to do so by the holder of the permit, subject to approval by the Navajo Tribe and the Navajo Agency.

6. You are required to pay individual Navajo Indians who may have allocated or assigned use rights for all damage caused by you which affects the surface of the lands involved as determined by the Secretary of the Interior or his authorized representatives.

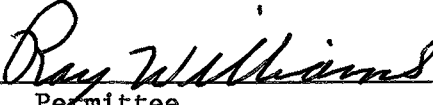
7. No renewal or extension of this permit may be granted, but you may be granted a new drilling and exploration permit upon any of the lands in this permit, at the discretion of the Tribal Mining Engineer.

8. During the term of this permit you are granted the exclusive right to apply for and be granted a mining lease upon the lands above described, subject to acreage limitations and other lawful regulations. You may also apply for and be granted assignments of mining permits on any of such lands subject to existing regulations.

9. You are required to furnish the Navajo Tribe, at the office of the Tribal Mining Engineer, Window Rock, Arizona, footage drilled each thirty (30) days and all information obtained from drilling and exploration during the term of this permit at termination of one hundred twenty (120) days period.

/S/ RAYMOND NAKAI

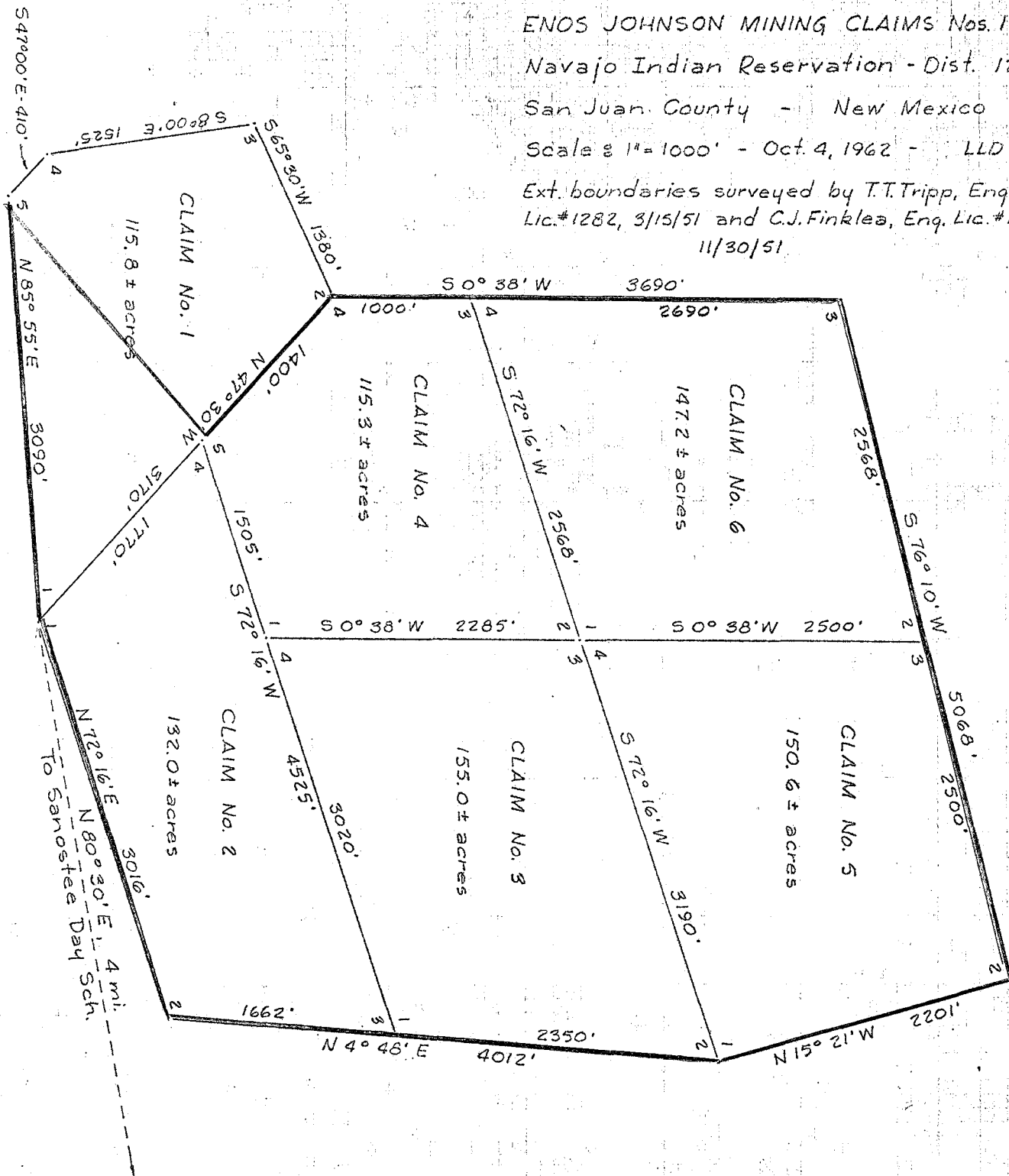
Chairman, Navajo Tribal Council


Permittee

APPROVED DATE: JUL 21 1965

(Sgt.) Russel E. Kilgore

General Superintendent, Navajo Agency

JOB NO.

NAVAJO TRIBE

Temporary Mining Form No. 1

January, 1955

ASSIGNMENT OF NAVAJO TRIBAL MINING PERMIT

THIS INDENTURE made and entered into by and between Inos Johnson, Sr.,

Alice K. Johnson (wife) and Inos Johnson, Jr., Amy Rose Johnson (wife)
hereinafter sometimes called "Assignor," party of the first part, and hereinafter some-

Ray Williams, Box 536, Little Water, New Mexico
times called the "Assignee," party of the second part.

WITNESSETH

WHEREAS, the Assignor, Navajo Indian, is the approved holder of that certain Navajo Tribal Mining Permit No. 584, covering that/those certain mining claim(s) in the Navajo Indian Reservation particularly described below:

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements hereinafter contained to be paid, kept and performed by the parties hereto, the said Assignor has sold, transferred, set over and assigned, and by these presents does sell, transfer, set over and assign to the Assignee, his heirs and successors, all of the Assignor's right, title, interest and claim in and to the aforesaid Mining Permit and any renewal thereof, and any lease which may be granted, based upon said permit, in and to the following described land covered thereby, to wit:

DESCRIPTION

A PORTION OF INOS JOHNSON CLAIM NO. 1

Located in Land Management District 12, Navajo Indian Reservation, more particularly described as follows:

Commencing at Corner 1 of Claim no. 1 and Corner 1 of Claim No. 2, which point is South 80° 30' West approximately 4 miles from Sanostee Day School; thence N 47° 30' West, 1770 ft. to the true point of beginning, which point is also common to Corner 4 of Claim No. 2 and Corner 5 of Claim No. 4; thence N 47° 30' West, 1400 ft. to Corner 2 of Claim No. 1; thence S 65° 30' West, 1300 ft. to Corner 3 of Claim No. 1; thence S 8° 00' East, 1520 ft. to Corner 4 of Claim No. 1; thence S 47° 00' East, 410 ft. to Corner 5 of Claim No. 1; thence N 51° 31' East, 2272 ft. to the point of beginning.

This parcel contains 60.5 acres, more or less.

This assignment shall be subject to approval by the Secretary of the Interior or his authorized representative, and is to become effective only from date of such approval.

In further consideration hereof, it is mutually agreed as follows:

1. The assignee assumes and agrees to perform all obligations to the Navajo Tribe insofar as said described land is affected, and to do and perform all such things and acts as are required by said Mining Permit to the same extent and in the same manner as if the provisions of said Mining Permit were fully set out herein; and, without limiting in any manner the duties and obligations imposed by said Permit, Assignee specifically agrees that he will:

- (a) Pay or cause to be paid to the Navajo Tribe any and all royalties and/or bonuses at the times and in the amounts or percentages set forth and required by the terms of said Permit and paragraph four of Advisory Committee Resolution No. ACS-80-51 and Amendments No. ACM-5-52 and ACJN-73-60 for and on account of any and all ore mined, produced and sold from the premises.
- (b) Commence mining operations under said Permit and produce and sell ore from said premises within six (6) months from the date of approval of this assignment as hereinbefore provided.
- (c) Operate any mine opened or developed on the premises in a good workmanlike manner, and in accordance with applicable laws, rules and regulations, and to leave any such mine timbered in the event of the abandonment thereof.
- (d) Comply with the rules and regulations of the Navajo Tribe and the Secretary of the Interior governing the cutting of timber from any land under the jurisdiction of said authorities, or either of them, before cutting or using any such timber and to pay for any such timber at the rate or price provided by said rules and regulations.
- (e) Comply with all and singular the terms of said Permit as to said premises and mining operations thereon, and to do and perform annually actual mining development work required in connection therewith at an expenditure of not less than the minimum requirements provided by Advisory Committee Resolution No. ACS-80-51 and the terms of said Permit, and to pay or cause to be paid to the Navajo Tribe any and all advance annual rentals to become due and payable thereunder for the lands covered hereby, and to furnish any required surety bond in an amount to conform to departmental mining regulations to insure the full performance of the terms of said Permit, and to save harmless the Assignor, his or their heirs, administrators, executors, or assigns, for or on account of any liability arising or to arise in connection with said premises and/or mining operations conducted thereon by Assignee.

2. It being made a further condition hereof that this assignment shall become void in the event:

- (a) That the Assignee shall fail, refuse or neglect to comply with the provisions of sub-paragraph (b) of Section 1, hereinabove set forth without justifiable reason therefore satisfactory to the Advisory Committee at a hearing upon order to show cause thereon, such decision to be binding on parties subject to any right of appeal by either party to the Secretary of the Interior or his authorized representative as may be allowed by the rules of the Secretary.
- (b) That it is shown to the satisfaction of the Advisory Committee at a hearing upon order to show cause that the Assignee knowingly and intentionally has directly or indirectly contravened the prohibition of paragraph three of Advisory Committee Resolution No. ACS-80-51 relative to acreage limitation for mining permits and leases, or has been guilty of other serious violation of laws, rules, or regulations applicable to operations under the mining permit hereby assigned; such decision to be binding subject to any right of appeal as may be allowed by the rules of the Secretary of the Interior.

3. The assignee agrees to pay or cause to be paid to the Assignor an overriding royalty of not less than one (1%) percent nor more than five (5%) percent on all ores produced and sold from the premises, based upon and in accordance with the schedule for determining percentage of overriding royalty set forth in Advisory Committee Resolution No. ACS-80-51 and as amended by Resolution ACJN-73-60 and to pay or cause to be paid to Assignor an overriding royalty on all ores or other products produced and sold from said premises which are not included in determining mine value per dry ton as defined in said Resolution No. ACS-80-51 at the following rates:

Assignee further agrees to pay or cause to be paid to the Assignor as additional overriding royalty _____ (%) percent of any bonus paid by the United States Atomic Energy Commission for the production of Uranium Ore from said premises: provided, however, that in no event shall less than 5% of any such bonus be paid by Assignee to Assignor.

4. At the option of the Assignee and prior to the expiration of said permit, Assignor agrees to make application for renewal thereof and/or during the primary or renewed term thereof to make application to convert said permit to a mining lease covering all or any portion of said land at the election of the Assignee, and to make, execute, and deliver to the Assignee an assignment thereof; provided that any such application, renewal, and/or lease and assignment shall be subject to the approval of the Secretary of the Interior or his authorized representative, and shall provide for and be subject to each, all and singular the terms hereof and to the provision for payment by the Assignee to the Assignor or an overriding royalty the same as in paragraph three hereinabove set forth.

5. Assignee agrees to give the said male assignor and assignors, if any, preference for employment in mining operations on said mining claim during the continuance of said mining permit and this assignment, any renewal thereof and any lease based thereon, at a prevailing wage rate, and to employ available Navajo Indians in connection with said mining operations at prevailing wage rates in all positions for which they are qualified.


6. It is agreed that the Assignee shall succeed to all the rights, benefits, and privileges granted the Assignor by the terms of said mining permit, any renewal thereof, and any lease which maybe granted, based upon said mining permit as to the land covered hereby, subject, nevertheless, to the terms and provisions of this assignment, and that his assignment includes the entire agreement between the parties, and shall extend to and be binding upon the heirs, devisees, legatees, administrators, executors, and trustees of each of the parties hereto.

7. Any assignment of a Navajo Tribal mining permit or mining lease, or any interest in any such assignment or in any Navajo Tribal mining permit which has been assigned or in any mining lease which was issued as a conversion of a Navajo Tribal mining permit or in any manner other than as a result of competitive bid offering may be transferred either by subleasing, reassignment, or the entering into of working agreements, or in any other manner, only if the requirements of the Resolution of the Advisory Committee of the Navajo Tribal Council No. ACN-75-56 as amended are fully complied with, and subject to the approval of the Advisory Committee of the Navajo Tribal Council and the authorized representative of the Secretary of the Interior.

IN WITNESS-WHEREOF, the parties have hereunto set their hands this 16th
day of December, 1963.

Shirock N. Mex
MAILING ADDRESS

Box 536 Little Hata, N. Mex.
MAILING ADDRESS

Ernest Johnson Sr

Ernest Johnson
ASSIGNOR
Ernest Johnson Jr.
Amey R. Johnson
Ray Lee Williamson
ASSIGNEE

Recommended for Approval: _____

CHAIRMAN, NAVAJO TRIBAL COUNCIL

APPROVED: _____

(Date)

AREA DIRECTOR

ACKNOWLEDGEMENTS
(Individual)

STATE OF: New Mexico }
COUNTY OF: San Juan } SS,

On this 16th day of December, 1943, before me personally
appeared Erno Johnson & Alice K Johnson - Erno Johnson & Amy R Johnson & Ray Lee Williams
to me known to be the person described in and who executed the foregoing instrument,
and acknowledged that they executed the same as their free act and deed.

WITNESS my hand and seal the day and year last above written.

MY COMMISSION EXPIRES:

Feb 17, 1964

Ernest D. [Signature]
Notary Public

(CORPORATE)

STATE OF: _____ }
COUNTY OF: _____ } SS,

On this _____ day of _____, 19____, before me appeared

to me personally known, who being by me duly sworn did say that he is the

_____ of _____
(and that the seal affixed to said instrument is the corporate seal of said corporation),
and that the said instrument was signed and sealed in behalf of said corporation by
authority of its Board of Directors, and said _____
acknowledged said instrument to be the free act and deed of said corporation.

WITNESS my hand and seal the day and year last above written.

MY COMMISSION EXPIRES:

(NOTE)

In case the corporation has no corporate seal, mark out the words, "The
seal affixed to said instrument is the corporate seal of said corporation."

THE NAVAJO TRIBE

DRILLING AND EXPLORATION PERMIT

TO: RAY L. WILLIAMS

BOX 536

LITTLE WATER, NEW MEXICO

1. Pursuant to authority contained in Advisory Committee Resolution No. ACD-80-53 dated December 18, 1953 and No. ACO-75-57 dated October 8, 1957, you are hereby granted and exclusive drilling and exploration permit for a period of one hundred twenty (120) days upon Navajo Tribal lands described as follows:

Dnos Johnson Claim No. 4

2. You are authorized to do or perform any or all of the following operations under this permit; (a) Diamond drilling; (b) Wagon drilling; (c) Open cut; (d) Tunneling; (e) Pit.

3. No surface geology is authorized hereunder.

4. You are not permitted under this permit to sell ore, but you may remove small quantities for assay purposes only.

5. You may drill and explore lands already held under mining permits in the above described area provided you are given written permission to do so by the holder of the permit, subject to approval by the Navajo Tribe and the Navajo Agency.

6. You are required to pay individual Navajo Indians who may have allocated or assigned use rights for all damage caused by you which affects the surface of the lands involved as determined by the Secretary of the Interior or his authorized representatives.

~~Erasmus~~
Erasmus Johnson &